

Information Document



Barramundi Group Ltd.

(a public limited company incorporated under the laws of Singapore)

Admission to trading of ordinary shares on Euronext Growth Oslo

This information document (the "**Information Document**") has been prepared by Barramundi Group Ltd. ("**BGL**" or the "**Company**", and together with its subsidiaries, the "**Group**") solely for use in connection with the admission to trading of the Company's 40,369,983 ordinary shares, with an issued and paid-up share capital of SGD 153,976,242.63 (the "**Shares**") on Euronext Growth Oslo (the "**Admission to Trading**").

The Company's Shares have been admitted for trading on Euronext Growth Oslo, and it is expected that the Shares will start trading on 12 August 2021 under the ticker symbol "BARRA". The Shares are registered in the VPS in book-entry form with ISIN SGXZ33675836. All of the Shares rank *pari passu* with one another, and each Share carries one vote.

Euronext Growth is a market operated by Euronext. Companies on Euronext Growth, a multilateral trading facility (MTF), are not subject to the same rules as companies on a Regulated Market (a main market). Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a company on Euronext Growth may therefore be higher than investing in a company on a Regulated Market. Investors should take this into account when making investment decisions.

The present Information Document does not constitute a prospectus within the meaning of 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, and repealing Directive 2003/71. The present Information Document has been drawn up under the responsibility of the Company. It has been reviewed by the Euronext Growth Advisor and has been subject to an appropriate review of its completeness, consistency and comprehensibility by Euronext.

THIS INFORMATION 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 shares involves a high degree of risk. See Section 1 "Risk factors".

Euronext Growth Advisor
DNB Markets, a part of DNB Bank ASA



12 August 2021

IMPORTANT NOTICE

This Information Document has been prepared solely by the Company, only to provide information about the Group and its business and in relation to the admission to trading on Euronext Growth Oslo. This Information Document has been prepared solely in the English language.

The Company is incorporated under the laws of Singapore. In order to facilitate the registration and trading of the Shares on Euronext Growth Oslo, the Company has entered into a registrar agreement (the "**Registrar Agreement**") with DNB Bank ASA (the "**VPS Registrar**") for the registration of the Shares in VPS, which will be the primary register of the Shares. As such, the Company recognises the holders of Shares in VPS as the owners of the Shares. For a further description of the VPS registration of the Shares, see Section 10.8 "*VPS registration of the shares*".

For definitions of terms used throughout this Information Document, see Section 14 "*Definitions and Glossary of Terms*".

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

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

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 Information 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 Information Document and before the Admission to Trading will be published and announced promptly in accordance with Euronext Growth Oslo regulations. Neither the delivery of this Information 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 Information Document is correct as of any time since its date.

The contents of this Information Document shall not be construed as legal, business or tax advice. Each reader of this Information 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 Information Document, you should consult your stockbroker, bank manager, lawyer, accountant or other professional adviser.

The distribution of this Information Document may in certain jurisdictions be restricted by law. Persons in possession of this Information 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 Information 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 Information 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 Information Document.

Investing in the Company's Shares involves risks. See Section 1 "*Risk Factors*" of this Information Document.

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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 Information 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 Information Document.

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

Risk relating to technology

Large-scale barramundi farming is a relatively new industry and is subject to the inherent risks associated with a less mature industry, as well as the risk that the Group's commercialisation and expansion strategies may fail. 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 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.

Recirculating Aquaculture System (RAS)

The Group's Brunei farm uses RAS for the Group's nurseries, which includes off-flavouring, early maturation, controlling the levels of CO₂ and hydrogen sulphide (H₂S) which may be hazardous to fish health and cause outbreak of diseases, mortality and technical failures. There are inherent risks in the technology, such as faults in production, operations and maintenance, and the risk that the equipment may fail to meet the quality and/or performance standards.

Risks related to feed costs and supply

Feed costs account for a significant portion of the Group's total production costs, and an increase in feed prices could have a major impact on the Group's profitability. 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. Increases in the prices of these raw materials will accordingly result in an increase in feed prices. 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 contract partners were to terminate the relationship, the Group may not be able to find alternative suppliers in the market. The Group has not entered into long term agreements for feed supply and any shortage in feed supply may lead to starving fish, accelerated harvesting, loss of biomass and reduced income.

Risk relating to Barramundi prices

The Group's financial position and future prospect depend on the price of farmed Barramundi. Farmed Barramundi 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 Barramundi will not decrease in the future.

Farmed Barramundi 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 Barramundi may have a material adverse effect on the business, financial condition, results of operations or cash flow of the Group.

Risk relating to biomass, including diseases and escape

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. Reduction of the mortality may be subject to obtaining more sites, including the St. Johns site in Singapore. 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, not only for Barramundi 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. Incidents of significant fish escapes could result in substantial loss of biomass as well as repair costs, spreading of diseases to and genetic interaction with wild barramundi, negative publicity and penalties or other sanctions from governmental authorities, which could affect the licenses held by the Group as well as cash flows and profitability. The Group is not fully insured against fish death events concerning their biomass but has put in place a risk mitigation plan to reduce the risk of fish death events. 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. Further, Barramundi farming is strictly regulated by licenses and permits granted by the authorities in Singapore, Brunei and Australia. 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. Many of the licenses are also subject to yearly renewal. Breach of terms under the licenses may also cause withdrawal of licenses, partly or entirely. Some of the licenses are subject to governmental approval in case of change of ownership/shareholder structure. It is a risk that such approvals will not be obtained following the listing and issuing

of new shares in the Group. 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. The ambition for growth is also dependent on the Group managing to obtain new sites or expand existing sites.

Risk relating to dependence on qualified and experienced personnel

The Group's senior management and key employees are important to the development and prospects of the Group. Further, 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.

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 and patents, trade secrets, trademarks and other intellectual property rights. The brand names used for marketing and sales in the various countries and the proprietary technology from the Group's vaccines are very important to the Group. The Group relies on, and expects to continue to rely on, a combination of trademark, copyright, trade secret and patent 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 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 management 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 intellectual property rights could seriously damage its business.

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

The Group's insurance may not be adequate to cover all losses or liabilities that it might incur in its operations and the Group has not insured the farming equipment in Singapore and the biomass in Australia.. 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 terms, such as capital adequacy ratios, annual reviews of companies for continuance of facilities, and approval requirements for the event that the Group wishes to enter into debt or financing arrangements with other banks or financial institutions. Such conditions and covenants may be challenging to comply with, and 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.

Risks associated with exchange rate fluctuation

The Group operates internationally and is exposed to changes in foreign currency exchange rates. Both revenues and expenses are primarily in Singapore Dollars and Australian Dollars. However, some fees are invoiced in US Dollars. Future variations in the exchange rates could therefore have an impact on the Group's reported financial results.

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, Singapore 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. 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 have and will continue to 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. Closures of hotels and restaurants, border closures and workplace closures have resulted in periods where the Group's sales, production and operations were impacted to adhere to the respective governments' movement control measures. The future of the Group and its business, including the ability for the Group to realise its current plans are 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.

1.3 Risks related to the Shares

An investment in the Company's Shares involves risk of loss of capital

The market value of the Shares may fluctuate significantly and rapidly in response to a number of factors beyond the Group's control. In addition, the Share price will be subject to a downward pressure if the existing shareholders sell their Shares immediately after the expiry of applicable lock-ups. This could adversely affect the price of the Shares and the Company cannot assure investors that the price of the Shares will achieve or be maintained at any particular level. There is no guarantee that the shareholders can realise a higher amount or even the principal amount of their investments. In case of liquidation of the Company, it is possible that investors may lose all or part of their investment in the Shares.

Risks relating to illiquid market for trading Shares

Prior to the Admission to Trading, there is no public market for trading of the Shares. No assurances can be made that there will be an active or liquid market for the Shares or that, if developed, it will be sustained, nor that the Shares may be resold at or above the subscription price in the Private Placement. The price of the Shares may be volatile, and even if the Shares are admitted to trading on Euronext Growth Oslo, the price of the Shares may fluctuate significantly. Although it is currently intended that the Shares will remain listed on Euronext Growth Oslo, there is no guarantee of the continued listing of the Shares. If the Shares are no longer listed on Euronext Growth Oslo, there may be no active or liquid market for the Shares.

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 holders of Shares 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.

In addition, securities laws in certain jurisdictions may prevent shareholders in such jurisdictions from participating in such securities offerings.

Risk relating to future dividends

The Company does not have a fixed dividend policy and may not be able to pay any dividends in the future. Whether the Company will be able to declare dividends to its shareholders in the future will be dependent on factors such as:

- its future financial performance;
- its distributable reserves and cash flows;
- its forecast and budgets;
- funding needs of the Group for expansion and business acquisition;
- general economic conditions and market sentiment; and
- its future plans and business strategies.

Accordingly, the Company cannot assure you that it will pay dividends in the future or, if it pays dividends in the future, when it will pay them. Furthermore, it cannot assure investors that dividends, if paid, will be sustained. The declaration and payment of future dividends will depend upon the Group's operating results and cash flow, financial position, other cash requirements, including capital expenditures, the terms of borrowing arrangements (if any), general economic conditions and other factors specific to the industry that the Group operates in, many of which are beyond the Company's control.

Singapore law provides that any declaration of dividends must be by way of an ordinary resolution of the shareholders at a general meeting, but that the Company may not pay dividends in excess of the amount recommended by the Board of Directors. The declaration and payment of dividends will be determined at the absolute discretion of the Board of Directors, subject to the approval of the shareholders. The Board of Directors may also declare an interim dividend without the approval of the shareholders. All dividends will be paid in accordance with the Companies Act. All dividends must be paid out of the Company's profits available for distribution. Moreover, the Company may be unwilling to pay any dividends in the future regardless of availability of distributable reserves. Further, financing agreements may limit the Company's ability to pay dividends.

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

Upon a listing on Euronext Growth Oslo (or other markets), 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.

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

The rights of holders of the Shares are governed by Singapore law and by the Company's Constitution. These rights may differ from the rights of shareholders in other jurisdictions. 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 Singapore.

Investors may not be able to exercise their voting rights for Shares registered in a nominee account

Beneficial owners of the Shares that are registered in a nominee account (such as through brokers, dealers or other third parties) may not be able to vote for such Shares unless their ownership is (a) re-registered in their names with the VPS prior to the Company's general meetings or (b) the registered nominee holder grants a proxy to such beneficial owner in the manner provided in the Constitution in force at that time and pursuant to the contractual relationship, if any, between the nominee and the beneficial owner, to vote for such Shares. The Company cannot guarantee that beneficial owners of the Shares will receive the notice of a general meeting of shareholders of the Company in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote for their Shares in the manner desired by such beneficial owners. Any persons that hold their Shares through a nominee arrangement should consult the nominee to ensure that any Shares beneficially held are voted for in the manner desired by such beneficial owner.

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

This Information Document has been prepared by Barramundi Group Ltd., a public limited company with business registration number 200722778K and registered address 35 Fishery Port Road #116, New Fish Merchant Building, Singapore 619742, solely in connection with the Admission to Trading.

The Board of Directors accepts responsibility for the information contained in this Information Document. The members of the Board of Directors confirm that to the best of their knowledge, the information contained in the Information Document is in accordance with the facts and that the Information Document makes no omission likely to affect its import.

We declare that, to the best of our knowledge, the information provided in the Information Document is fair and accurate and that, to the best of our knowledge, the Information Document is not subject to any material omissions, and that all relevant information is included in the Information Document.

Singapore, 12 August 2021

The Board of Directors of BARRAMUNDI GROUP LTD.

Johannes Cornelis Antonius den Bieman
Chairman of the Board

Andrew Kwan Kok Tiong
Director

Dato Dr Abdul Manaf Metussin
Director

Junaidi Masri
Alternate Director of Dato Dr Abdul Manaf Metussin

Marit Solberg
Independent Director

Sjoeberg Tristan Nenne
Director

Edward Averill Ng Yong Sheng
Director

3 GENERAL INFORMATION

3.1 Other important investor information

The Company has furnished the information in this Information Document. No representation or warranty, express or implied, is made by the Euronext Growth Advisor as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Information Document is, or shall be relied upon as a promise or representation in this respect, whether as to the past or the future. The Euronext Growth Advisor assume no responsibility for the accuracy or completeness or the verification of this Information 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 Information Document or any such statement.

Neither the Company nor the Euronext Growth Advisor, 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 Group's consolidated financial statements for the years ended 31 December 2020 and 31 December 2019 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**") under the historical cost convention, except as disclosed in the accounting policies as attached in Appendix C. SFRS(I)s comprise Standards and Interpretations that are equivalent to International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB), with comparable figures for the year ended 31 December 2019 (the "**Annual Financial Statements**"). The Company has also prepared preliminary unaudited management accounts for the first six month of 2021, ending on 30 June 2021 (the "**Interim Financial Statements**"). These management accounts have currently not been reviewed by auditors, but will be reviewed by auditor later and published in connection with the Company's half year financial reporting (as unaudited) as set out in Section 8.11.

The Annual Financial Statements have been audited by Nexia TS Public Accounting Corporation. The Interim Financial Statements are unaudited.

The Company presents the Annual Financial Statements in SGD.

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 are attached hereto as Appendix B and C. The Interim Financial Statements are attached as Appendix D.

3.2.2 *Industry and market data*

In this Information 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 Information 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 Information 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 Information Document.

Unless otherwise indicated in the Information 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 Information 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 Information 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 Information Document.

4 REASONS FOR THE ADMISSION

The Company believes the Admission will:

- (a) 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) provide the Company the flexibility to utilise its shares in acquisition opportunities;
- (d) further enhance the ability of the Company to attract and retain key management and employees;
- (e) provide access to the capital markets in order to pursue further growth opportunities; and
- (f) allow for a liquid market for the Shares going forward.

5 DIVIDENDS AND DIVIDEND POLICY

5.1 Dividends policy

The Company currently does not have a fixed dividend policy. The declaration and payment of future dividends may be recommended by the Board of Directors at their discretion, after considering a number of factors, including the Company's level of cash and reserves, results of operations, business prospects, capital requirements and surplus, general financial condition, contractual restrictions, the absence of any circumstances which might reduce the amount of reserves available to pay dividends, and other factors considered relevant by the Board of Directors, including the Company's expected financial performance. The Company currently intends to utilise and/or reinvest any profits generated in the financial year ending 31 December 2021 from its operations into its business (including to finance operations, acquisitions and expand the business) and does not intend to pay any dividends to shareholders with respect to its profits generated in the financial year ending 31 December 2021. Investors should note that the foregoing statements are merely statements of the Company's present intention and shall not constitute legally binding obligations on the Company or legally binding statements in respect of its future dividends, which may be subject to modification (including reduction or non-declaration thereof) in the Board of Directors' sole and absolute discretion.

The Company has not distributed any dividends during the financial years 2020 and 2019.

5.2 Legal and contractual constraints on the distribution of dividends

Any final dividends the Company declares must be approved by an ordinary resolution of its shareholders. All dividends must be paid out of the Company's profits available for distribution. The Company is not permitted to pay dividends in excess of the amount recommended by the Board of Directors. All dividends will be paid in accordance with the Companies Act. The Board of Directors may, without the approval of the shareholders, also declare interim dividends. The Company cannot assure investors that dividends will be paid in the future or as to the timing of any dividends that are to be paid in the future. No inference should or can be made from any of the foregoing statements as to the Company's actual future profitability or ability to pay dividends.

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

In terms of the Registrar Agreement the VPS Registrar has undertaken in favour of the shareholders from time to time to pay the equivalent of all dividends or other cash amounts declared and paid by the Company to the VPS Registrar in accordance with the applicable VPS system procedures for such payment.

5.3 Manner of dividend payments

For shareholders of the Company 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. Shareholders who reside in Norway but have not linked a NOK account to the VPS account will receive dividend by giro payment. Shareholders registered in the VPS whose address is outside Norway and who have not supplied their 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 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 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 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 registrar within such date. Following the expiry of such date, the remaining, not distributed dividend will be returned from the 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 PRIVATE PLACEMENT

6.1 Details of the Private Placement

On 6 August 2021, the Company completed a private placement of a total of 8,900,000 Shares consisting of 8,100,000 new Shares to be issued and 800,000 Shares borrowed (the "**Borrowed Shares**") under an overallotment and share lending agreement with shareholder Barramundi Asia Holdings Pte. Ltd. (the "**Share Lender**"), each at a subscription price of NOK 14.70 / SGD 2.25 per Share (the "**Subscription Price**"), raising gross proceeds of NOK 130,830,000 / SGD 20,025,000, consisting of NOK 119,070,000 / SGD 18,225,000 payable to the Company for the new Shares and NOK 11,760,000 / SGD 1,800,000 for the Borrowed Shares, the latter amount being reserved for stabilisation measures, see Section 6.2.1 below (the "**Private Placement**").

The book building period for the Private Placement took place from 4 August 2021 to and including 6 August 2021. Notifications of allocation were issued on 9 August 2021, and settlement took place on 10 August 2021 under a pre-funding agreement with DNB Bank ASA and Pareto Securities AS (as "**Managers**"). Delivery of the Private Placement Shares will take place on or about 12 August on a delivery vs. payment basis.

6.2 Stabilisation and greenshoe option

6.2.1 *Stabilisation*

DNB Markets, a part of DNB Bank ASA, acting as stabilisation manager (the "**Stabilisation Manager**") on behalf of the Managers, may use the proceeds from the sale of the Borrowed Shares to effect transactions with a view to supporting the market price of the Shares at a level higher than what might otherwise prevail, through buying Shares, in a number limited upwards to 800,000 Shares, constituting 9.0% of the new Shares issued, in the open market at prices equal to or lower than the Subscription Price. There is no obligation on the Stabilisation Manager to conduct stabilisation activities, and there is no assurance that stabilisation activities will be undertaken. Such stabilisation activities, if commenced, may be discontinued at any time and will in any event be brought to an end at the latest 30 calendar days after the first days of listing.

Any stabilisation activities will be conducted as set out in article 5(4) of the EU Market Abuse Regulation and chapter III of the supplemental rules set out in the Commission Delegated (EU) 2016/1052 of 8 March 2016 with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures ("**Stabilisation Activities**"), in order to support the market price of the Shares.

There shall be no additional fees payable by the Company in relation to any Stabilisation Activities. Any net profit from Stabilisation Activities shall be for the benefit of, and be transferred to, the Share Lender.

It should be noted and understood that stabilisation activities might result in market prices that are higher than those that would otherwise prevail

6.2.2 *Greenshoe option*

In order to secure redelivery of the Borrowed Shares to the Share Lender, the Stabilisation Manager has a right, but no obligation, to require the Company to issue a number of additional new Shares equalling the number of Borrowed Shares at a price per share equal to the Subscription Price (the "**Greenshoe Option**"), but limited to a number of Shares corresponding to the difference between the number of Borrowed Shares and the number of Shares acquired in the market for stabilisation purposes.

The Greenshoe Option may, at the Stabilisation Manager's discretion, be exercised at any time during the stabilisation period, in whole or in part and on one or several occasions. Once the option is exercised, the Stabilisation Manager is obligated to subscribe for the number of Shares for which the Greenshoe Option is exercised and pay to the Company an amount equal to such number multiplied by the Subscription Price. The Company shall procure that the new Shares are issued and delivered as soon as practicable to the Stabilisation

Manager, who in turn will deliver these Shares, together with any shares bought back in connection with the Stabilisation Activities, to the Share Lender.

6.3 Use of proceeds

The proceeds from the Private Placement will primarily be used to fund new capacity expansion in the Singapore, Australia and Brunei facilities, investments into additional capabilities and capacity, financing repayments and general corporate purposes.

In addition, the proceeds will be used to cover relevant transaction costs incurred in connection with the Private Placement.

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, Andreas von Scholten (CEO), Helen Chow (CFO), Marc Tan (CTO), Charis Chua (CCO), Vincent Erenst (COO), James Kwan Kok Yuen (CMO), Tan Ying Quan (Management), Jeffrey Teo (Management), Steve Ng (Management), Chiam Tat Tsian Alex (Management), Kian Rex (Management), Markus Schrittwieser (Management), Johannes Cornelis Antonius Den Bieman (Chairman of the Board), Andrew Kwan Kok Tiong (Director), Sjoeborg Tristan Nenne (Director), Martin Fassler, Warif Holdings Limited, Barramundi Asia Holdings Pte. Ltd., Commonwealth Harvests Pte. Ltd., and Far East Ventures Pte. Ltd.¹, have entered into customary lock-up undertakings, subject to certain exceptions. Pursuant to these undertakings, there is expected to be a twelve month lock-up period starting from the date of the Admission (with six months for Warif Holdings Limited, Barramundi Asia Holdings Pte. Ltd., Commonwealth Harvest Pte. Ltd., and Martin Fassler) 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.

¹ For Far East Ventures, the lock-up is applicable for Shares held prior to the Private Placement only.

7 BUSINESS OVERVIEW

This Section provides an overview of the Group's business as of the date of this Information 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 Information Document, in particular Section 1 "*Risk factors*".

7.1 Introduction

7.1.1 General

Barramundi Group farms and markets high quality sustainably farmed barramundi to the world with sustainability at its core. The Company's mission is to help close the world's protein gap by tapping into the potential of barramundi. The Group controls its barramundi value chain – from farm to fork – with established sales and distribution networks.

In the face of rapid population growth, and rising affluence on the back of economic development, global protein demand is expected to escalate. The barramundi species is well-suited to large-scale aquaculture; in particular its high fecundity (large number of eggs per spawning), wide-cultivable range, and attractive harvestable yields.

Founded in 2008, BGL is one of the largest companies in the world farming barramundi in the ocean and draws on high quality sustainable fish farming practices and aquaculture technology.

The Group has pioneered an integrated farm-to-fork supply chain that allows the Group to deliver a premium-quality barramundi directly to B2B and B2C customers and across HORECA (HOTels REStaurants CAterers) and Supermarkets and Retailers.

BGL efforts with regards to sustainable practices have been recognised through various industry certifications:

- BGL's Singapore farms have attained the Good Aquaculture Practice (GAP) rating and certification since 2016.
- The Group's Australia and Singapore farms are certified by Best Aquaculture Practices (BAP), a widely used and comprehensive third-party aquaculture certification program.

The group operates the following business areas:

7.1.2 Farming

BGL operates both the largest barramundi farms in Australia, Brunei and Singapore. With over 2000 metric tonnes of biomass the Company focuses on the full "Farm-to-Fork" value chain; owning its own Recirculating Aquaculture System hatchery, nursery, to deep sea cage "grow out" farms in energetic tidal environments.

7.1.3 Commercial

BGL markets its products under the Kühlbarra and Cone Bay brand name in various markets. The Group's chilled and frozen barramundi products are sold in individual and multi-portion packs, as well as larger fillets or customised specifications for our B2B and B2C customers. BGL also sell a range of specialist by-products such as the swim bladder, head, bone and scale. The group aims to ensure that all nutrition-bearing parts of the fish are fully utilised and not wasted; harvesting as much as possible.

7.1.4 Processing and innovation

At BGL's processing facility, fish are descaled, gilled, and gutted before filleting in our climate-controlled HACCP certified facility. Depending on the market, products are then vacuum-sealed and packed according to specific import guidelines. Operational and audit measures at BGL conforms to the strict ISO22000 and SS 590 Food Safety

and Handling standards. Moreover, cold-chain integrity is maintained throughout the entire process from harvest to the processing facility.

7.1.5 *Animal health*

BGL also wholly-owns its own animal health and vaccines business and laboratory, UVAXX Pte Ltd. UVAXX develops and supplies proprietary autogenous vaccines for BGL and third-party farm operators, as well as conduct in-situ animal health monitoring regimes. UVAXX has created seven proprietary vaccines and has been granted an additional 13 active licenses of vaccines for use.

7.1.6 *Genomics*

Through the acquisition of Allegro Aqua in January 2020, BGL has access to genetic technology and biological assets that allow the Group's hatchery to have an annual capacity to produce more than 2 million fry. Prior to the Group's acquisition, Allegro Aqua had commercialised a superior strand of barramundi that is fast-growing, more disease resistant and higher in Omega-3 fatty acids. Allegro Aqua's technology, together with a coordinated vaccine strategy, has resulted in improved yields, fish health and survivability.

7.2 **Farms**

7.2.1 *Nursing and farming principles*

The Group has access to its own broodstock and spawning nucleuses to allow the Group to select and breed generations that are genetically predisposed for higher yields, faster growth, higher Omega-3 fatty acids, and improved disease resistance.

BGL culture and nurture larvae post-hatch, under optimal conditions, through enriched live feeds before weaning fish into pellet feed. The Group follow strict biosecurity protocols and constant grading of fish sizes (every 3-5 days) to allow for more uniform and robust cohorts before the fish are conditioned for introduction into the sea nursery.

Through UVAXX, BGL has autogenous vaccines that have been developed specifically for barramundi. The Group's autogeneous vaccines developed and produced in the Group's facility allows the Group to produce 8 million shots per year. Vaccination of fingerlings at the nursery ensures the fish develop immunity and protection from certain pathogens and increases their survivability.

BGL's nurseries feature different systems ranging from flow-thru and Recirculating Aquaculture Systems depending on the environmental parameters. Biomass densities are kept low to ensure better fish welfare and a stress-free transition to sea.

The Group is currently executing on its ramp up plan, with an ambition of its existing sites to produce ~7,000 tonnes of barramundi annually by 2026, consisting of ~1,000 tonnes in Singapore, ~3,000 tonnes in Australia, and ~3,000 tonnes in Brunei.

7.2.2 *Australia, Kimberley*

Established in 2002, the Australia farm is the largest ocean net pen barramundi sea farm in Australia. The highly energetic waters in the Australian site naturally dissipates all of the waste material the farm produces. Over the years, sediment and sea-bed impact analysis has consistently found little to no impact on the environment and seabed.

- **Production capacity:** Approved capacity is 15,000 tonnes per year, but the actual capacity is 3,000 tonnes per year; If and when the new 13 sites are approved, the capacity is estimated to be 30,000 tonnes per year
- **Sea farm site:** 1,340 Ha

New leases are under application: 13 new leases in the Kimberley region of Australia under application with capacity of 30,000 tonnes and a combination sea farm area of 651 Ha.

7.2.3 Singapore, Southern islands

Established in 2008, the Singapore farm is the largest ocean net pen barramundi sea farm in Singapore. Bathymetric and hydrological studies of the Group's different sites confirm that the waters off the south of Singapore present good conditions for growth, animal health and low environmental impact.

- **Production capacity:** Approved capacity is 1,500 tonnes (25 HA), when the new site (St. Johns) is approved the capacity will be 5,000 tonnes per year
- **Sea farm site:** 25 Ha combined

7.2.4 Brunei, Nankivell and Pelong rock

Established in 2020, the Brunei farm is the Group's latest addition, and is the largest barramundi sea farm in Brunei. Brunei is recognised for its good current flow, suitable for barramundi farming.

- **Production capacity:** No legal limitations but estimated at 40,000 tonnes per year
- **Sea farm site:** 6,613 Ha combined

7.2.5 Sea farm leases

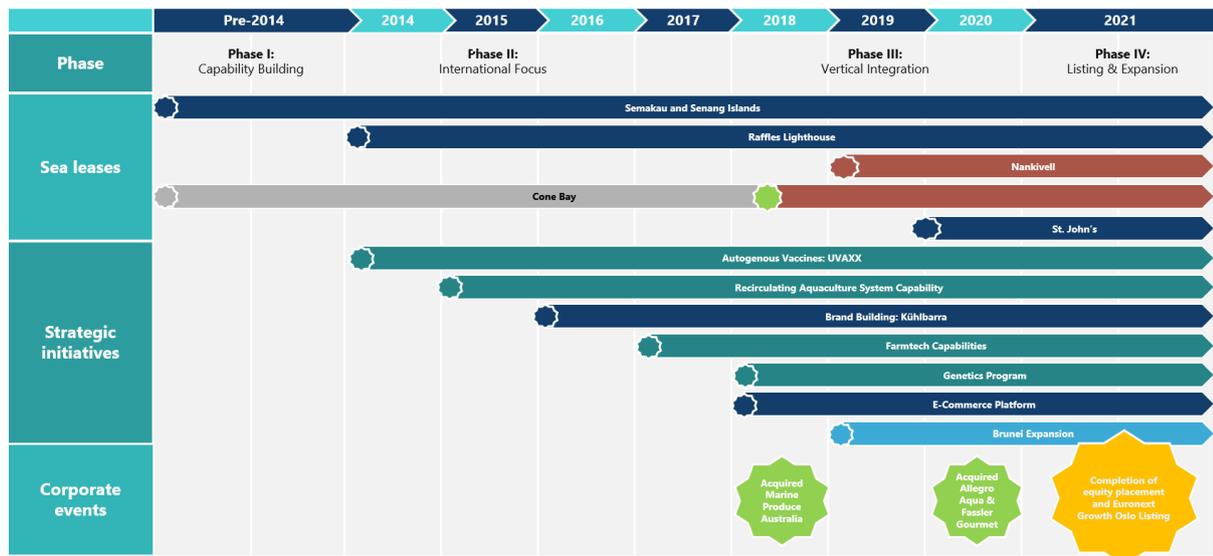
A summary of all leases held and in process by the Group are included in the table below.

Location	Country	Lease Status	Estimated Production Capacity in Metric Tonnes	Comments
Senang (PSN1: Raffles Lighthouse) (sea nursery)	Singapore	Valid	3,500T/y	a) 17.5 hectares sea lease site. b) Annual renewal for Semakau and Senang.
Semakau (PSM1) (grow out)	Singapore	Valid	1,500T/y	a) 7.5 hectares sea lease site. b) Annual renewal for Semakau and Senang.
St John's Island (SJI)	Singapore	Valid	2,000T/y	a) 12 hectares sea lease site. b) SJI Grow-out renewal 4.5y after approval (approval in principle obtained).
5 new leases	Singapore	Application pending	2 existing leases plus 3 new leases that will allow us to produce 5,000T/y in Singapore in total.	
Cone Bay	Australia	Valid	3,000 T/y (actual capacity, the approved capacity is 15,000 T/y)	a) 1,344 Ha b) Annual renewal
13 new leases	Australia	Application to be sent by the end of this year	13 different sites with the right conditions for fish farming in the buccaneer archipelago. In total it should be approx. 30,000T/y.	On-going environmental studies to submit the application.
BDC Land Nursery	Brunei	Valid	0.04T/y (1,280,000 pcs of 30 g. per year)	a) 0.5 hectares with rental rate of B\$680.00 per month ready with existing buildings (Refurbishments required). b) Leased from 1 January 2020 till 31 December 2039 with an additional 20 years option. c) Output of 1,280,000 pieces of 30 grams fingerlings / year.
Pelumpong Sea Nursery	Brunei	Valid	0.23T/y (920,000 pcs of 250 g. per year)	a) 10 hectares sea lease site. b) Leased from 1 January 2021 till 31 December 2040. c) Output of 920,000 pieces of 250 grams / year.

Pelong Grow-out	Brunei	Valid	3,000T/y	a) 100 hectares sea lease site. b) Leased from 1 January 2021 till 31 December 2040 with an additional 20 years option.
Nankivell Grow-out	Brunei	Valid	40,000T/y	a) 6,613 hectares sea lease site. b) Leased for 30 years from the commencement date of Fish Farm Operations. c) Fish farm to be utilised after fully utilising Pelong Grow-out.
Mengsalut Land Lease	Brunei	Application pending		a) 21 hectares land site for 2nd nursery expansion after full utilisation of BDC Land Nursery. b) Offered to Barramundi Brunei in exchange for returning another land lease (Meragang) which is not ideal.

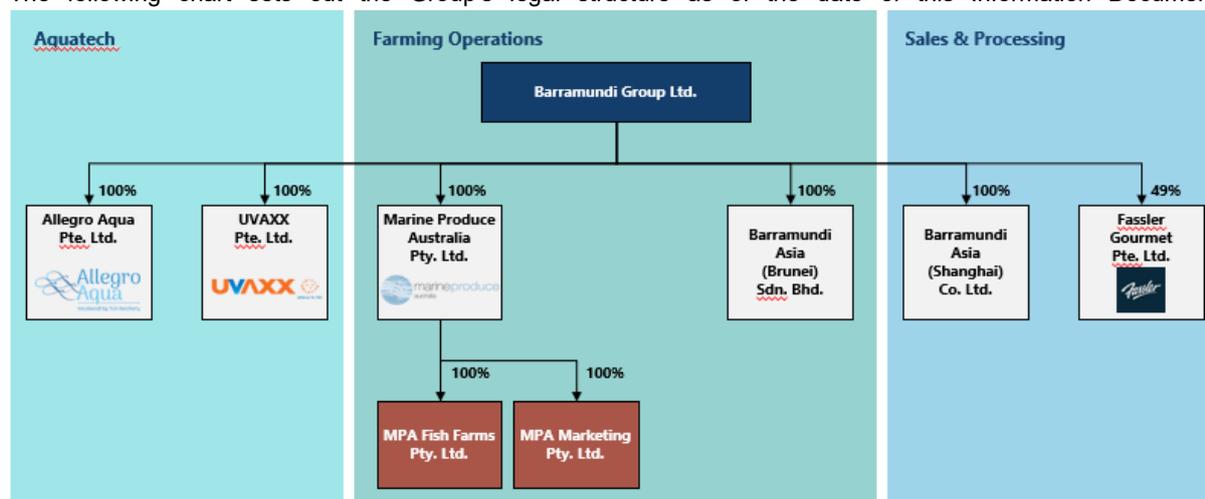
7.3 History and important events

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



7.4 Group structure

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



BGL is the entity that holds the farming operations in Singapore.

7.5 Vision and strategy

BGL's vision is to become the global leader of sustainably and responsibly farmed barramundi by producing great tasting, premium fish endorsed by top chefs around the world while safeguarding the world's oceans and environmental resources.

To achieve this, BGL's strategy is to solidify its position as a leading player in barramundi aquaculture and technology:

1. Be among the best in class in barramundi production.

- (a) The aim is to expand production in Singapore up to ~1,000 tonnes and achieve gross margin of 35-45% by 2026
- (b) The aim is to expand production in Australia up to ~3,000 tonnes and achieve gross margin of 30-40% by 2026
- (c) The aim is to expand production in Brunei up to ~3,000 tonnes and achieve gross margin of 40-50% by 2026

2. Leverage commercial playbook to enter new markets; increase market share in home ground markets

- (a) Establish direct presence and implement multi-brand and multi-channel strategy
- (b) Develop new value-added products and monetise by products
- (c) Build processing capabilities to reduce cost and enable development of value-added products
- (d) Development of new markets such as the U.S., Europe, East Asia and Middle East

3. Develop aquatech ecosystem as a new growth driver to support the development of the global barramundi aquaculture industry

- (a) Develop aquatech platform to drive growth and be the best in class in farming barramundi
- (b) Leverage aquatech platform to forge partnerships and joint ventures to gain access to key markets

- (c) Develop UVAXX to be the leader in barramundi autogenous vaccine
- (d) Develop broodstock R&D centre in Singapore; become the leading barramundi seedstock producer
- (e) Develop proprietary farm management system to harness network effect

7.6 Material Agreements

There are no 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 continuing operations).

7.7 Market overview

7.7.1 Supply

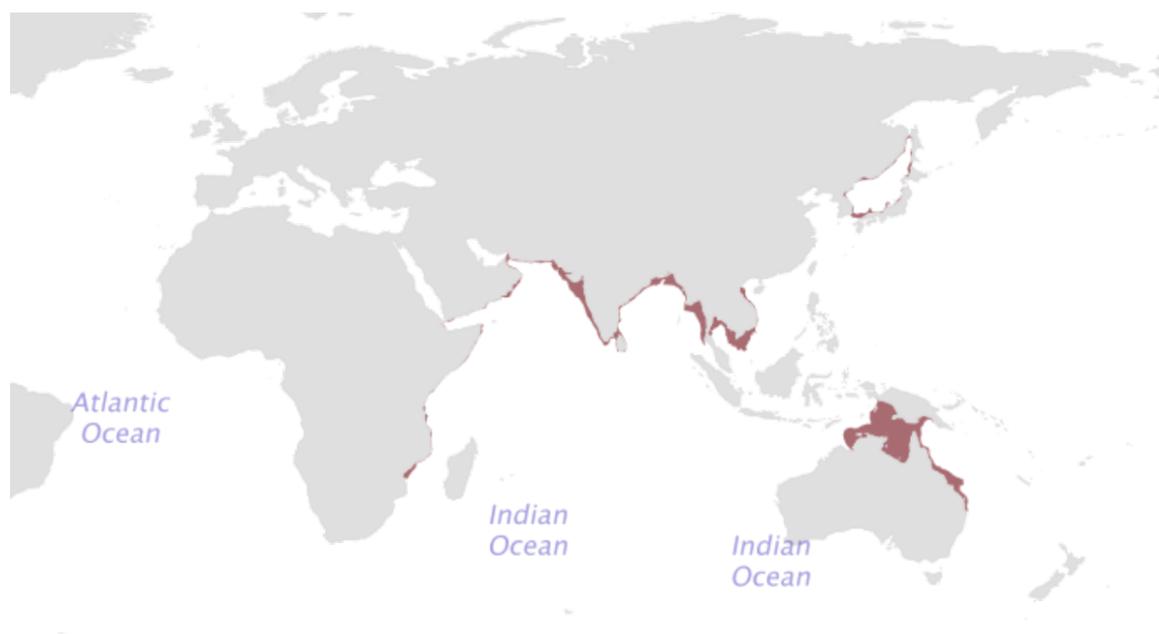
The aquaculture of barramundi commenced in Thailand in the 1970s and has since grown at a rapid pace driven by trends of rising global consumption and overfishing. According to the Global Aquaculture Alliance ("**GAA**"), global barramundi aquaculture production has achieved an average YoY growth of 10% from 2010-2019, with a production volume of ~108,000 tonnes in 2019. Alternative data from the Food and Agriculture Organization of the United Nations ("**FAO**") has estimated the 2018 global production to be ~81,000 tonnes in comparison to the 5.7m tonnes in the addressable premium white fish market.

<i>(tonnes)</i>	FAO	GAA
2017	82,000	96,000
2018	81,000	90,000
2019	N.A.	108,000

Global barramundi aquaculture production

Today, barramundi is produced predominantly in Southeast Asia. Australia remains a major producer, producing ~9,000 tonnes a year. However, barramundi has the capability to live in both freshwater and saltwater allowing it to be produced globally, with players in the USA, areas of Europe, the Middle East, Pacific Islands and Micronesia. The propagation of technologies such as Recirculation Aquaculture Systems (RAS) has also driven the growth in barramundi aquaculture.

The Group primarily produces premium barramundi that are sustainability farmed in the ocean net-pens that are clean tasting, firmer in texture, and contain more nutrition, as opposed to pond-farms which are perceived as low-cost, and typically are more associated with muddy tastes.



Geographical distribution of Barramundi, Food and Agriculture Organisation of the United Nations

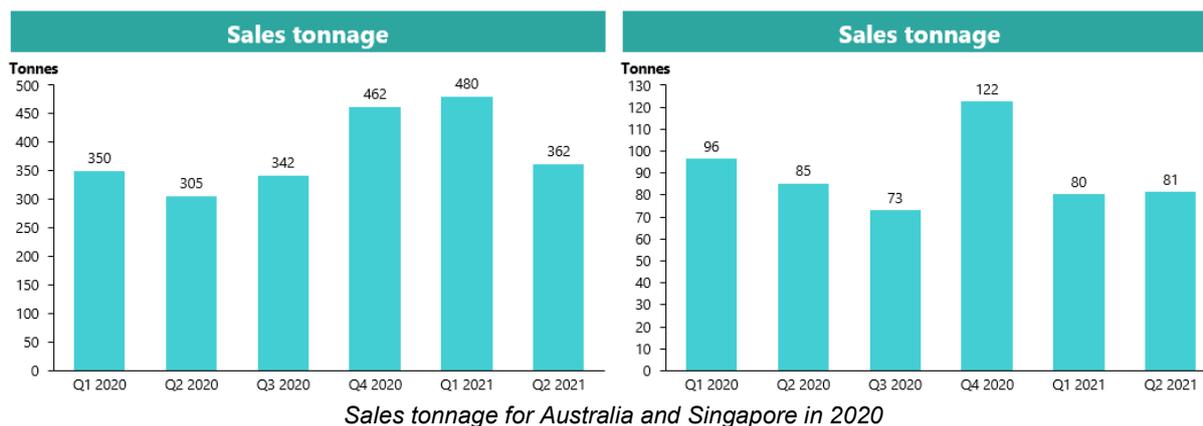
Australia has determined barramundi to be a core focus for the aquaculture industry and has projected rapid growth to approximately 12,000 tonnes by 2022, excluding the production from Northern Territory or Victoria.

Species	2006–07	2017–18	Comments	2021–22 projections
	tonnes	tonnes		tonnes
FISH				
Salmonids (Atlantic Salmon, trout)	25,253	61,413	Offshore farming is being established and will increase production, a counter to warming inshore waters, which reduce production.	75,000–80,000
Southern Bluefin Tuna	7,486	8,000	No major increase likely; a slight increase in quota might allow more fish to be ranched.	9,000
Barramundi	2,590	5,668*	New farms and expansions on existing farms to increase production. * Does not include production from Northern Territory or Victoria.	12,000
Yellowtail Kingfish (YTK)	n/a	n/a	Existing and new aquaculture leases in Western Australia expected to increase YTK production in coming years. South Australia also ramping up production.	5,000
Murray Cod	n/a	266*	Production based in New South Wales (NSW) and Victoria. * Figure based on NSW production.	3,000
Other species	772	3,183	Totals include Silver Perch, Cobia, Queensland Grouper.	2,000

Fisheries Research and Development Corporation, Annual Report 2019-2020

7.7.2 Principal Markets

The Group operates an end-to-end business model with its own sales department and sells high quality barramundi directly to customers in both the B2B and B2C markets. The Group's core markets are concentrated in Asia which is expected to be the driving force in global seafood demand growth with a booming population and rising middle class in the region. Although barramundi is a relatively new product, the Group is confident about its potential to be positioned as a premium whitefish in the booming seafood market in Asia. Today, the Group's core markets for exports and domestic sales are primarily in Singapore and Australia, which are supplied by the production from Singapore and Australia, and Brunei. In 2020, Australia comprised approximately 73% of the Group's total sales tonnage.



The Group has achieved strong revenue visibility through establishing key relationships with a wide range of clients. In Singapore, the Group has a multi-channel strategy where they market the barramundi under the brand Kühlbarra and sell directly to consumers via their own online ecommerce shop as well as to the large retailers, high end hotels and restaurants. In Australia, the Group sells to the food service customers and directly to its main customer, which is the largest Australian supermarket chain.

Prices varies between Singapore and Australia, with the latter achieving a higher price per kilogram as seen in the past 2 years. Apart from the impact due to Covid-19, there has been a strong price development from 2019 to Q1 2020.



7.7.3 Competitive landscape

The global barramundi aqua culture production is around 100,000 tons. The majority, approximately 85,000 tons, is farmed with smaller companies and most of it in small backyard farming operations in ponds in Malaysia, Thailand and Vietnam. This production is not considered as competing to the Group, since the quality is different, harvest sizes are smaller, and there are no certifications.

In addition to BGL, there are five major aquaculture companies focusing on barramundi which can be considered competitors of the Group, including Humpty Doo in Australia (ponds), Mainstream Aquaculture in Australia (ponds), Australis Aquaculture in Vietnam (net pens), GST in Malaysia (ponds) and NAQUA in Saudi (net pens).

The total production between the six large producers (the five referred above plus BGL) is estimated to be around 15,000 tons (no official data available), and based on this, BGL has an approximate market share of between 10% and 15%.

The Group's competitors tend to be more established with larger harvested volumes. However, the Group edges out by having one of the most comprehensive in-house capabilities, from its autogenous vaccination and genetics to its in-house sales and marketing capabilities. This end-to-end business model has allowed the Group to differentiate itself from its competitors as a leading integrated barramundi aquaculture and technology company.

7.8 Business-critical agreements, patents etc.

7.8.1 Customer agreement

The company has an agreement for the sales of its fish with a major customer in Australia up to June 2023. The Company works closely with this customer in their marketing and promotions to ensure uptake in products and also to develop new products.

7.8.2 Leases

The Company operates the largest barramundi farms in Australia, Brunei and Singapore. Agreements are entered into for both the sea leases and land leases to operate the farm sites across the three geographies.

7.8.3 Proprietary technology

The Group does not hold any patents. Intellectual property is held in the form of trade secrets and know-how, as well as trademarks and domain names.

Microbiological isolates obtained from diagnostic processes in the formulation and creation of autogenous vaccines is the Company's proprietary technology. The autogenous vaccines administered to the fish across the Company's farm sites is key in the Company's fish health management.

Other than the above, no Group company has entered into any material agreements or other agreements containing rights or obligations of material importance to the Group, apart from agreements entered into as part of the Group's ordinary course of business.

7.9 Related Party Transactions

Other than intra-Group transactions in the ordinary course of business, as set out in the Annual Financial Statements (note 26), the Group signed a Memorandum of Understanding (MOU) with its shareholder Louis Dreyfus Company Asia Pte. Ltd. ("**LDC**") on 29 July 2021 to co-invest in a farming operation. The partnership will allow the Group to explore new opportunities by leveraging on LDC's extensive network. The MOU is a preliminary agreement and non-binding, and participation in investments is subject to further agreements being signed.

7.10 Legal and arbitral 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 AND OTHER FINANCIAL INFORMATION

8.1 Introduction and basis for preparation

The Company's audited consolidated financial statements as of and for the years ended 31 December 2020 and 31 December 2019 have been prepared in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards (International) (the "Annual Financial Statements"). The Company has also prepared preliminary unaudited management accounts for the first six month of 2021, ending on 30 June 2021 (the "Interim Financial Statements"). These management accounts have currently not been reviewed by auditors, but will be reviewed by auditor later and published in connection with the Company's half year financial reporting (as unaudited) as set out in Section 8.11.

The Annual Financial Statements have been audited by Nexia TS Public Accounting Corporation. The Interim Financial Statements are unaudited.

The selected financial information presented in Section 8.2 to Section 8.6 below has been derived from the Annual Financial Statements and the Interim Financial Statements and should be read in connection with, and is qualified in its entirety by reference to, such the financial statements, which are attached hereto as Appendix B, C and D.

8.2 Accounting policies and principles

For accounting policies and explanatory notes, please refer to note 1 in the Annual Financial Statements, attached hereto as Appendix C.

8.3 Selected statement of income

The table below sets out selected data from the Company's consolidated audited statement of income for the years ended 31 December 2020 and 31 December 2019 and from 1H 2021 (unaudited).

In SGD

	1 January 2021 to 30 June 2021 (unaudited)	1 January 2020 to 31 December 2020 (audited)	1 January 2019 to 31 December 2019 (audited)
Revenue	17,104,383	28,363,590	23,052,340
Other income	1,349,516	4,298,974	2,203,651
Raw materials and consumables	(11,633,024)	(21,548,576)	(23,330,331)
Farm personnel expenses	(4,515,204)	(7,990,463)	(6,094,678)
Fair value (gain)/loss on biological assets	633,591	4,256,197	(5,821,909)
Fish mortalities	(1,254,897)	(2,511,709)	(7,670,729)
Depreciation expenses	-(1,863,043)	(3,216,843)	(2,831,079)
Amortisation expenses	(282,150)	(542,872)	(306,591)
Impairment loss of plant and equipment	-	-	(1,030,658)
Administrative expenses	-(3,074,426)	(5,654,408)	(7,939,550)
Distribution expenses	(1,241,063)	(2,285,932)	(818,121)
Finance expenses	(1,241,896)	(2,045,922)	(1,654,623)
Loss before tax	-(6,018,213)	(8,877,964)	(32,242,278)

Income tax credit	-	127,292	1,128,231
Net loss for the financial year	(6,018,213)	(8,750,672)	(31,114,047)
Other comprehensive (loss)/income:			
Items that may be reclassified subsequently to profit or loss:			
- Currency translation (loss)/gain on translating foreign operations	(1,322,275)	(795,770)	118,519
Total comprehensive loss for the financial year	(7,340,488)	(9,546,442)	(30,995,528)
(Loss)/profit attributable to:			
Owners of the Company	(6,420,460)	(8,809,244)	(31,114,047)
Non-controlling interests	402,247	58,572	-
	(6,018,213)	(8,750,672)	(31,114,047)
Total comprehensive (loss)/income attributable to:			
Owners of the Company	(7,742,735)	(9,605,014)	(30,995,528)
Non-controlling interests	402,247	58,572	-
	(7,340,488)	(9,546,442)	(30,995,528)

8.4 Selected statement of financial position

The table below sets out selected data from the Company's consolidated audited statement of financial position as at 31 December 2020 and 31 December 2019, as well as per 30 June 2021 (unaudited).

In SGD

	30 June 2021 (unaudited)	31 December 2020 (audited)	31 December 2019 (audited)
ASSETS			
Current assets			
Cash and cash equivalents	27,354,041	29,327,259	27,176,419
Trade and other receivables	6,185,989	6,408,439	4,234,860
Inventories	3,096,347	1,966,222	716,786
Biological assets	22,886,826	21,883,238	16,557,399
	59,523,203	59,585,158	48,685,464
Non-current assets			
Property, plant and equipment	27,523,071	24,916,033	16,354,008
Intangible assets	13,957,533	14,239,683	6,145,431
Biological assets	1,162,866	1,049,366	104,456
Other assets	-	330,108	-
Deferred income tax assets	2,697,033	2,604,377	2,023,137
	45,340,503	43,139,567	24,627,032

Total assets	104,863,706	102,724,725	73,312,496
LIABILITIES			
Current liabilities			
Trade and other payables	9,926,394	20,496,590	6,463,210
Employee benefits	564,931	525,210	400,471
Borrowings	35,858,182	17,410,568	15,996,335
Deferred capital grants	75,290	127,999	127,925
	<u>46,424,797</u>	<u>38,560,367</u>	<u>22,987,941</u>
Non-current liabilities			
Employee benefits	112,415	112,854	128,776
Borrowings	26,296,250	24,945,798	7,860,652
Deferred capital grants	5,129,724	5,244,249	309,112
Provision for reinstatement	55,980	55,980	55,980
Deferred income tax liabilities	4,050,756	3,958,100	3,175,153
	<u>35,645,125</u>	<u>34,316,981</u>	<u>11,529,673</u>
Total liabilities	82,069,922	72,877,348	34,517,614
Net assets	22,793,784	29,847,377	38,794,882

In SGD

	30 June 2021 (unaudited)	31 December 2020 (audited)	31 December 2019 (audited)
EQUITY			
Share capital	105,255,921	105,154,252	105,259,252
Other reserves	(1,146,346)	79,024	4,735,231
Accumulated losses	(85,735,353)	(79,403,214)	(71,199,601)
Non-controlling interests	4,419,562	4,017,315	-
Total equity	22,793,784	29,847,377	38,794,882

8.5 Selected statement of cash flow

The table below sets out selected data from the Company's consolidated audited cash flow statement for the years ended 31 December 2020 and 31 December 2019, as well as for 1H 2021 (unaudited).

In SGD

	1 January 2021 to 30 June 2021 (unaudited)	1 January to 31 December 2020 (audited)	1 January to 31 December 2019 (audited)
Cash flows from operating activities			
Loss before tax	(6,018,213)	(8,877,964)	(32,242,278)
Adjustments for:			

– Fair value adjustment on biological assets	(633,591)	(4,256,197)	5,821,909
– Amortisation of government grant	(167,234)	(127,923)	(127,999)
– Depreciation of			
• Property, plant and equipment and right-of-use assets	1,809,154	3,216,843	2,831,079
• Biological assets	53,889	85,495	-
– Impairment of plant and equipment	-	-	1,030,658
– Property, plant and equipment written-off	-	34,219	68,917
– Amortisation of intangible assets	282,150	542,872	306,591
– Employee share option expenses	185,226	337,757	290,385
– Interest expense	1,241,896	2,045,922	1,654,623
– Interest income	(53,090)	(255,586)	(254,795)
– Provision for employee benefits	16,340	70,321	129,672
– Gain on bargain purchase	-	(1,283,470)	-
	(3,283,473)	(8,467,711)	(20,491,238)
Changes in working capital:			
– Biological assets	(1,990)	(404,398)	7,584,837
– Inventories	(1,119,604)	(119,126)	974,638
– Trade and other receivables	624,487	(115,303)	3,617,637
– Trade and other payables	158,589	586,282	(1,332,553)
Cash used in operations, representing net cash used in operating activities	(3,621,991)	(8,520,256)	(9,646,679)
Cash flows from investing activities			
Acquisition of a subsidiary, net of cash acquired	-	(3,637,398)	-
Additions to property, plant and equipment	(3,828,203)	(3,625,462)	(2,901,513)
Interest income received	53,090	255,586	254,795
Net cash used in investing activities	(3,775,113)	(7,007,274)	(2,646,718)

In SGD

	1 January 2021 to 30 June 2021 (unaudited)	1 January to 31 December 2020 (audited)	1 January to 31 December 2019 (audited)
Cash flows from financing activities			
(Payments from cancellation)/Proceeds from issuance of ordinary shares	-	(105,000)	38,605,752
Share issue expense	101,669	-	-

Proceeds from/(Repayment of) borrowings	9,381,634	15,775,189	(3,015,686)
Principal payment of lease liability	(643,841)	(1,445,313)	(1,616,556)
Decrease/(Increase) in fixed deposit pledged	-	5,132,530	(66,366)
Interest paid	(1,241,896)	(2,045,922)	(1,582,548)
Capital contribution from non-controlling interests	-	366,180	-
Proceeds from capital grants	-	5,063,134	-
Redemption of RCPS	(1,234,223)	-	-
Net cash provided by financing activities	6,363,343	22,740,798	32,324,596
Net increase in cash and cash equivalents	(1,033,761)	7,213,268	20,031,199
Cash and cash equivalents			
Beginning of the financial year	29,327,259	22,043,889	1,432,003
Effects of currency translation on cash and cash equivalents	(939,457)	70,102	580,687
End of the financial year	27,354,041	29,327,259	22,043,889

8.6 Selected statement of changes in equity

Changes in equity is presented in the equity notes in the Annual Financial Statements and Interim Financial Statements. An overview is included below:

<i>(in SGD)</i>	Share capital	Other reserves	Accumulated losses	Total	Non-controlling interests	Total equity
June 2021						
Beginning of financial period	105,154,252	79,024	(79,403,214)	25,830,062	4,017,315	29,847,377
Total comprehensive loss for the year:						
Loss for the year	-	-	(6,420,460)	(6,420,460)	402,247	(6,018,213)
Other comprehensive loss	-	(1,322,275)	-	(1,322,275)	-	(1,322,275)
	-	(1,322,275)	(6,420,460)	(7,742,735)	402,247	(7,340,488)
Transactions with owners, recognised directly in equity:						
Share issue expense	101,669	-	-	101,669	-	101,669
Employee share option scheme	-	96,905	88,321	185,226	-	185,226
	101,669	96,905	88,321	286,895	-	286,895
End of financial period	105,255,921	(1,146,346)	(85,735,353)	18,347,222	4,419,562	22,793,784
	\$	\$	\$	\$	\$	\$
December 2020						
Beginning of financial period	105,259,252	4,735,231	(71,199,601)	38,794,882	-	38,794,882

Total comprehensive loss for the year:						
Loss for the year	-	-	(8,809,244)	(8,809,244)	58,572	(8,750,672)
Other comprehensive loss	-	(795,770)	-	(795,770)	-	(795,770)
	-	(795,770)	(8,809,244)	(9,605,014)	58,572	(9,546,442)
Transactions with owners, recognised directly in equity:						
Cancellation of shares	(105,000)	-	-	(105,000)	-	(105,000)
Employee share option scheme	-	(267,874)	605,631	337,757	-	337,757
Dilution of interests in subsidiary without loss of control	-	(3,592,563)	-	(3,592,563)	3,958,743	366,180
	(105,000)	(3,860,437)	605,631	(3,359,806)	3,958,743	598,937
End of financial period	105,154,252	79,024	(79,403,214)	25,830,062	4,017,315	29,847,377
December 2019						
Beginning of financial period	66,653,500	4,326,327	(40,085,554)	30,894,273	-	30,894,273
Total comprehensive loss for the year:				-		-
Loss for the year	-	-	(31,114,047)	(31,114,047)	-	(31,114,047)
Other comprehensive loss	-	118,519	-	118,519	-	118,519
	-	118,519	(31,114,047)	(30,995,528)	-	(30,995,528)
Transactions with owners, recognised directly in equity:						
Issuance of new shares	38,605,752	-	-	38,605,752	-	38,605,752
Employee share option scheme	-	290,385	-	290,385	-	290,385
	38,605,752	290,385	-	38,896,137	-	38,896,137
End of financial period	105,259,252	4,735,231	(71,199,601)	38,794,882	-	38,794,882

8.7 Significant changes in the Group's financial or trading position since 30 June 2021

The Group has not carried out any transactions after 30 June 2021 that represent a change of more than 25% in its total assets, revenue or profit or loss.

8.8 Material borrowings and financial commitments

As of the date of this Information Document, the Group has the following material interest bearing debt.

8.8.1 SGD18,460,000 loans with UOB

The Group has a total of SGD18,460,000 in loans with UOB. The details are as follow:

Loan	Principal	Nominal interest rate	Year of maturity	Outstanding principal as at 30 June 2021
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UOB loan 1	SGD5,000,000	2%	2025	SGD5,000,000
UOB loan 2	SGD5,000,000	3%	2023	SGD5,245,000
UOB loan 3	SGD2,000,000	Floating rate (mutually agreed)	2021	SGD1,400,000
UOB loan 4	SGD4,000,000	ABS SIBOR+1.75%	2023	SGD3,615,000
UOB loan 5	SGD1,000,000	ABS SIBOR+2%	2021	SGD1,000,000
UOB loan 6	SGD2,000,000	3%	2026	SGD2,000,000
Factoring facility	SGD3,000,000	3% +ABS SIBOR	-	SGD234,046

These secured bank loans of the Group are secured over the following:

- Fixed deposits, new debentures over the Company's fixed and floating assets and new assignment of all the Company's right the fixed deposit, new debentures over the Company's fixed and floating assets and new assignment of all the Company's rights, title, benefits and interest in connection with any insurance policies (including but not limited to the Company's commercial aquaculture stock) with respect to the Company's assets; and
- a subsidiary's all present and after-acquired property and a mortgage over the aquaculture license.

Other key terms or restrictive covenants include certain minimum solvability and debt service ratios, negative pledge, restrictions on dividend payments as well as restriction 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 consent of the bank

8.8.2 SGD2,000,000 loan with a third party

The Group has SGD2,000,000 loan with a third party. The loan has a fixed interest rate of 4% per annum and repayments are interests only on quarterly basis until the loan expires on 1 January 2023. On this date, the principal repayment amount will be due to be repaid in full.

8.8.3 AUD3,000,000 factoring facility with NAB

The Group has a factoring agreement in place with a limit of AUD3,000,000 with the purpose of financing working capital. The costs consist of facility fee which is calculated daily by applying the Daily Facility Fee Rate to the Funds Drawn as at that day and the current facility fee rate is at 5.38% per annum and purchase charge of 0.30% of the debts amount or minimum purchase charge of AUD12,000 annually. The bank loans are secured by security interest and charge over all the present and future rights, property and undertaking of the subsidiaries. As at 30 June 2021, the Group had drawn AUD562,609.

8.8.4 AUD4,600,000 loan facility with NAB

The Group has AUD4,600,000 loan with NAB. The loan bears interest of BBSY plus 3.55% per annum and is repayable in full on the final repayment date. As at 30 June 2021, the Group has an outstanding balances of approximately AUD4,396,489. Other key terms or restrictive covenants include certain minimum solvability and debt service ratios, restrictions on dividend payments and restriction on certain actions which may have an adverse effect on the Company's ability to fulfil its obligations towards the bank.

8.8.5 AUD4,874,279 equipment finance loan with NAB

The Group has 30 equipment finance loan with NAB to finance the Australia vessels and plant and equipment used at the farm with a repayment period of 4 to 5 years at interest rates between 4.41% to 5.51%.

8.9 Grants

8.9.1 Enterprise Singapore

1. Enterprise Development Grant (active until 2021)
 - Total grant amount: SGD9,000,000
 - Amount claimed: SGD4,500,000
 - Expansion of farm capacity by 200-300 tons in Singapore to support National Food Security needs

2. China e-Commerce Strategy TMALL Shop (active until 2022)
 - Total grant amount: SGD 45,998

- 8.9.2 Singapore Business Federation and Workforce Singapore Agency
 1. SGUnited Traineeship Programme 2020 (active until 2021)
 - Total grant amount: SGD113,700
 - Amount claimed: SGD14,880
 - To provide traineeship opportunities to individuals who have recently graduated or will soon be graduating.

 2. SGUnited Traineeship Programme 2021 (active until 2022)
 - Total grant amount: SGD80,700
 - To provide traineeship opportunities to individuals who have recently graduated or will soon be graduating.

- 8.9.3 Workforce Singapore
 1. Capability Transfer Programme (active till 2023)
 - Total grant amount: SGD55,520
 - To fund an Overseas Ocean Aquaculture Expert to be in Singapore

- 8.9.4 Singapore Food Agency
 1. Singapore Food Story R&D Programme Grant Call (active until 2024)
 - Total grant amount: SGD1,701,660
 - Multipronged approach toward vaccine development against Scale Drop Disease Virus (SDDV) in Asian Seabass

 2. Agriculture Productivity Fund (active until 2021)
 - Total grant amount: SGD785,175
 - Amount claimed: SGD515,734.10
 - Integrated Single Operator Feeding System

 3. Agriculture Productivity Fund Projects- Research and Development (R&D) (active until 2021)

- Total grant amount: SGD1,000,000
- Amount claimed: SGD100,000
- To implement the project RDO1001 "Breeding for scale drop resistance in Barramundi Lates Calcarifer- understanding the genetic architecture of resistance to enable efficient breeding programs.

8.10 Working capital statement

The Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements, for the period covering at least 12 months from the date of this Information Document.

8.11 Near-term financial reporting and general meeting calendar

Following the publication of this Information Document, the Company expects to publish its interim financial statements for the second half of 2021 on 29 September 2021. Furthermore, the Company expects to hold its first annual general meeting after the publication of this Information Document on 26 May 2022.

9 THE BOARD OF DIRECTORS, MANAGEMENT AND CORPORATE GOVERNANCE

9.1 Introduction

A shareholder is entitled to attend, speak and vote by poll at any general meeting, in person or by proxy. The overall management of the Company is vested with its Board of Directors and each director of the Company. The Board of Directors is assisted by the Management in the day-to-day operations of the Company.

9.2 The Board of Directors

9.2.1 Introduction

The Constitution provides that the Board of Directors shall comprise at least two directors. Only natural persons can be appointed as directors of the Company.

9.2.2 Overview of the Board of Directors

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

Name	Position	Served since	Shares
Johannes Cornelis Antonius den Bieman	Chairman	10 January 2011	549,597
Marit Solberg	Independent Director	4 June 2021	0
Dato Dr Abdul Manaf Metussin	Director	28 June 2019	0
Sjoeberg Tristan Nenne	Director	4 January 2016	605,315
Edward Averill Ng Yong Sheng	Director	20 March 2018	0
Andrew Kwan Kok Tiong	Director	31 May 2011	1,398,545

The following directors have outstanding options under the Barramundi Group Annual Share Option Scheme:

Name	No. of Shares in respect of which outstanding options have been granted	Exercise period	Expiration date	Exercise price (SGD)
Johannes Cornelis Antonius den Bieman	67,000	3 years	1 May 2024	2.25

Other than the above, no directors own any options or other securities exchangeable for Shares.

9.2.3 Brief biographies of the Board of Directors

Set out below are brief biographies of the 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.

Johannes Cornelis Antonius den Bieman, Chair

Johannes den Bieman co-founded BGL. He is an industry veteran with distinguished credentials of operating and expanding companies in the aquaculture industry. Johannes den Bieman has an extensive network within the global aquaculture industry and has headed various seafood multinationals. He was the CEO of Heiploeg, CEO of Marine Harvest Group, COO of Nutreco and served as board member of multiple listed aquaculture companies in Chile, Netherlands and the USA. Johannes den Bieman is a graduate of the Wageningen University.

Marit Solberg, Independent Director

Marit Solberg has over three decades in key roles at Marine Harvest Group, including managing 4,000 employees as COO of Farming from 2011-19. She obtained her M.Sc. in Microbiology with specialization in Marine Ecology in 1984. She serves as a board member of AquaCon AS, Nekkara ASA, NorCod AS, Patogen AS and GC Rieber Compact AS, and was the former Chairman of Norwegian Seafood Export Council from 2013 to 2015.

Andrew Kwan, Director

Andrew Kwan is the Group Managing Director of Commonwealth Capital Group of companies, which has investments across the food vertical including barramundi fish farming, cold chain logistics, central kitchen, butchery, bakery and ice cream production. Apart from its fully integrated food production & logistic platform, the Commonwealth Capital group also has investments in several brands such as PastaMania, Swissbake, Udders ice cream, The Soup Spoon, Baker & Cook and NYC Bagel Factory. Andrew's companies have won numerous accolades over the years including the Business Times Enterprise50, Fastest Growing50 and consecutive "Franchisor of the Year" titles for two separate businesses in different industries from the Franchise and Licensing Association. He holds a BBA from Schulich School of Business, York University, Canada.

Tristan Sjoberg, Director

Tristan received his B.Sc. (Hons.) in Marine Biology/Oceanography from UCNW Bangor in 1994 and his PhD in Marine Biogeochemistry from the University of East Anglia in 1999. He also holds an MBA from University of Oxford (2001). Tristan is co-owner and Director of Knutsson Holdings AB, a diversified investment company based in Gothenburg, Sweden, as well as co-owner and Executive Chairman of TCSJOHNHUXLEY group of companies.

Dato Dr Abdul Manaf Metussin, Director

Dato Dr Abdul Manaf Metussin is the deputy Minister of Finance and Economy at the Ministry of Finance and Economy of Brunei. He started his career in Bruneian government service in 1990 and has served in various capacities in the Ministry of Primary Resources & Tourism, as well as the Prime Minister's Office and the Ministry of Home Affairs. He previously held a number of important posts at Universiti Brunei Darussalam and Brunei Economic Development Board.

Edward Averill Ng Yong Sheng, Director

Edward Ng is the Executive Director of Far East Organisation, where his main responsibility is to provide strategic leadership in the functions of Central Engineering and Development Projects. His main expertise is in product development and management of its in-house engineering support team. He currently oversees the conceptualisation, implementation and fulfilment delivery of ongoing and new development projects.

9.2.4 Board of Directors' independence

Andrew Kwan is the brother of James Kwan, the Chief Marketing Officer & Head of Production Singapore (see Section 9.3 below).

Dato Dr Abdul Manaf Metussin represents Warif Holdings Limited, an entity owned by the Bruneian government, holding more than 10% of the Company's shares. He is therefore not independent of the Company's major shareholders.

Other than the above, the Board Members are independent of the Company's executive management and material business contacts and of the Company's main shareholders.

9.3 Management

9.3.1 Overview

As of the date of this Information Document, the Company's Management consists of the following persons:

Name	Position	Employed since	Shares
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Andreas Von Scholten	Chief Executive Officer	11 November 2019	349,212
Helen Chow	Chief Financial Officer	3 November 2016	0
Charis Chua	Chief Commercial Officer	1 June 2018	171,055
James Kwan	Chief Marketing Officer & Head of Production Singapore	1 December 2019	0
Vincent Erenst	Chief Operating Officer Production	16 August 2021	56,000
Markus Schrittwieser	General Manager, UVAXX	7 March 2018	0
Marc Tan	Chief Technology Officer	8 January 2018	0
Kian Rex	Productions and Operations Manager	10 November 2011	0
Alex Chiam	Productions and Operations Manager	17 December 2019	0
Jeffrey Teo	Assistant General Manager, Allegro Aqua	18 September 2018	0
Tan Ying Quan	Head of People and Partnerships	1 January 2021	0

Except for Andreas von Scholten, Helen Chow, Vincent Erenst, Charis Chua and James Kwan, no members of Management own any options or other securities exchangeable for Shares.

Andreas von Scholten, Helen Chow, Vincent Erenst, Charis Chua and James Kwan have outstanding options under the Barramundi Group Annual Share Option Scheme, details of which are set out below:²

Name	No. of Shares in respect of which outstanding options have been granted	Exercise period	Expiration date	Exercise price (SGD)
Andreas Von Scholten	299,999	3 years from the date of vesting	a) 16,667 options will expire on 1 May 2025 b) 208,333 options will expire on 1 May 2026 c) 41,667 options will expire on 1 May 2027 d) 33,332 options will expire on 1 May 2028	2.25
Helen Chow	100,000	3 years from the date of vesting	a) 7,500 options will expire on 1 May 2025 b) 62,917 options will expire on 1 May 2026 c) 16,667 options will expire on 1 May 2027 d) 12,916 options will expire on 1 May 2028	2.25
Charis Chua	150,000	3 years from the date of vesting	a) 7,500 options will expire on 1 May 2025 b) 114,584 options will expire on 1 May 2026 c) 15,833 options will expire on 1 May 2027 d) 12,083 options will expire on 1 May 2028	2.25
James Kwan	100,000	3 years from the date of vesting	a) 7,500 options will expire on 1 May 2025 b) 62,917 options will expire on 1 May 2026 c) 16,667 options will expire on 1 May 2027 d) 12,916 options will expire on 1 May 2028	2.25
Vincent Erenst	68,000	3 years from the date of vesting	a) 34,000 options will expire on 1 May 2026 c) 17,000 options will expire on 1 May 2027 d) 17,000 options will expire on 1 May 2028	2.25
Markus Schrittwieser	20,000	3 years from the date of vesting	a) 5,000 options will expire on 1 May 2025 b) 7,500 options will expire on 1 May 2026 c) 5,000 options will expire on 1 May 2027 d) 2,500 options will expire on 1 May 2028	2.25
Marc Tan	20,000	3 years from the date of vesting	a) 5,000 options will expire on 1 May 2025 b) 7,500 options will expire on 1 May 2026 c) 5,000 options will expire on 1 May 2027 d) 2,500 options will expire on 1 May 2028	2.25
Kian Rex	20,000	3 years from the date of vesting	a) 5,000 options will expire on 1 May 2025 b) 7,500 options will expire on 1 May 2026 c) 5,000 options will expire on 1 May 2027 d) 2,500 options will expire on 1 May 2028	2.25
Alex Chiam	15,000	3 years from the date of vesting	a) 2,500 options will expire on 1 May 2025 b) 6,250 options will expire on 1 May 2026 c) 3,750 options will expire on 1 May 2027 d) 2,500 options will expire on 1 May 2028	2.25
Jeffrey Teo	10,000	3 years from the date of vesting	a) 2,500 options will expire on 1 May 2025 b) 3,750 options will expire on 1 May 2026	2.25

² TSMP: Company to please confirm and provide the outstanding information.

			c) 2,500 options will expire on 1 May 2027 d) 1,250 options will expire on 1 May 2028	
	15,000	3 years from the date of vesting	a) 2,500 options will expire on 1 May 2025 b) 6,250 options will expire on 1 May 2026 c) 3,750 options will expire on 1 May 2027 d) 2,500 options will expire on 1 May 2028	2.25
Tan Ying Quan				

The Company's registered address, 35 Fishery Port Road, #116, New Fish Merchant Building, Singapore 619742, serves as business address for the members of the Management as regards their positions with the Company.

9.3.2 *Brief biographies of the members of the Management*

Set out below are brief biographies of the members of the Management:

Andreas von Scholten, Chief Executive Officer

Andreas has more than 15 years of experience working across multiple business sectors and geographies. Prior to joining BGL, Andreas was the GM (Asia Pacific) of PHARMAQ, a part of Zoetis, the world leader in animal health. Andreas joined PHARMAQ in 2015 with Private Equity firm Permira and continued with PHARMAQ for another 4 years after the company was acquired by Zoetis. Before PHARMAQ, Andreas was the GM (Asia Emerging Markets) of Coloplast, a leading global medical device company. Andreas joined Coloplast in 2010, holding various leadership roles in Beijing, Shanghai and Hong Kong during his time there. Earlier in his career, Andreas was an M&A consultant with Deloitte for more than 7 years, where he also led a company through a successful turnaround. A native of Denmark, Andreas received a graduate degree from the University of Copenhagen, Harvard University, and Universidad Complutense de Madrid.

Helen Chow, Chief Financial Officer

Helen has more than 25 years' experience in managing the financial strategy and all aspects of financial, operational and business management, including projects that support funding and business growth strategies, M&A and investor activities. She started her professional career in external audit with KPMG Singapore, subsequently assuming senior positions in regional internal audit. She served as CFO in both Australia and Singapore for listed and non-listed groups across different countries in the agriculture, retail and distribution industries. Helen earned her Bachelor of Accounting from the University of Singapore and is a Fellow CA of the Institute of Singapore Chartered Accountants and a Fellow CPA of CPA Australia.

Charis Chua, Chief Commercial Officer

Charis is responsible for BGL's global sales activities. With more than 12 years of business development and sales experience across different industries, she has taken on business development roles at both local and regional levels. At BGL, Charis spearheaded the exponential growth of its B2C channel in Singapore and was pivotal in entering and developing new markets for BA in China, Korea and Thailand. Prior to BGL, Charis was involved in many strategic transformation initiatives at companies like Goodpack Limited (a KKR portfolio company), Lazada (Alibaba Group) and Singapore Post Limited. She translated strategic priorities into actionable game plans which increased the overall value and profitability of the companies.

James Kwan, Chief Marketing Officer & Head of Operations and Production (SG)

James was appointed Chief Marketing Officer of BGL in 2019, having been involved in the inception of Kühlbarra's branding and marketing as a consultant since 2014. Prior to joining BGL, James held senior management positions in the Commonwealth Capital Group, a Singaporean food conglomerate with retail, manufacturing, and logistics businesses. Concurrently, James was Managing and Creative Director of Spinnaker360, an award-winning, multi-disciplinary branding and design agency he founded in 2007. James' early praxis as a marketer and brand engineer spanned the architectural, design and advertising industry. He is a regular guest lecturer at local tertiary design schools and holds a degree in Studio Arts from the Université du Concordia, Montréal.

Vincent Erenst, Chief Operating Officer Production

With close to four decades of experience in the aquaculture sector, Vincent is an industry veteran with extensive experience across strategic planning, farming, processing, sales, and finance. He has held managing and directorial positions across six different countries, and acquired a strong understanding of mergers and integrations as well as change management. In his most recent role, Vincent served as Group COO at Greek seabass and sea bream producer Avramar, formerly known as Andromeda Group, from 2018. Before Avramar, Vincent held key leadership positions at Marina Harvest Group, and during his time strengthened the Group's positioning in North America, notably driving strong business growth for Marine Harvest Canada for over a decade. Vincent earned his Bsc. in Biology from the State University of Groningen, Netherlands in 1980, and a MSc. Biology with specialisation in aquaculture & fisheries from the Wageningen University, Netherlands in 1984.

Marc Tan, Chief Technology Officer

Marc is a technologist with more than 15 years of experience. His credentials in coding, development and deployment span the logistics, retail, fitness and FMCG industries. Prior to joining BA, Marc was an entrepreneur operating a popular gym chain, as well as Singapore's largest online sports nutrition and accessories retailer, before successfully divesting his interests in 2018. Before this, he played a key role in product development at Seismic, a social media aggregator that was later acquired by HootSuite. As CTO, Marc provides strategic oversight of the Group's hardware and software, ensuring a robust information technology backbone required to support its various business processes. Marc is a graduate from the National University of Singapore with a degree in Computing.

Ying Quan Tan, Head of People & Partnerships

Ying Quan is an experienced business development strategist with over 7 years of experience in the agri-food industry. Prior to joining BGL, Ying Quan was with Enterprise Singapore from 2016-2020, where he played a strategic role in developing Singapore's agri-tech ecosystem, led the setup of the Aquaculture Innovation Centre and engaged key accounts across the food services, food manufacturing, horticulture and aquaculture sectors. From 2014-2016, Ying Quan co-founded and ran Peasures Inc, a food manufacturing company based in San Francisco, with operations in the US and Singapore. He has a strong background in digital marketing and information technology.

Kian Rex, Productions and Operations Manager (AU)

Kian Rex is the Production and Operations Manager for the Group's Australia operations. He has 9 years of operational experience with MPA. He has been exposed to every moving part of the business from nursery operations to harvesting and logistics. At present, his responsibilities lie in production planning and bottom-up OPEX control. Prior to MPA, Kian has worked in aquaculture in Scotland, New Zealand and Tasmania in both small and large scale operations.

Alex Chiam, Production and Operations Manager (BR)

Alex joined BGL in 2020 as part of the Group's expansion into Brunei Darussalam. Prior to joining BGL, Alex held various strategic management roles from 2015-2019 in Western Foods and Packaging Sdn Bhd, a subsidiary of global food manufacturing conglomerate Yildiz Holdings, helping to spearhead its expansion into Brunei Darussalam. Before this, Alex started his professional career in Leecorporatehouse Associates, an external audit and tax advisory services firm, where he was exposed to various types of local and international organisations from 2011-2014. Alex has more than 10 years of professional work experience, with broad exposure in various industries. He graduated from the University of Sydney, Australia with a degree in Accounting.

Jeffrey Teo, Assistant GM, Allegro Aqua

Jeffrey has more than 5 years' experience in the aquaculture industry. He joined Allegro Aqua in late 2018 as its Assistant GM and is responsible for, among other things, disease / biosecurity / brooder management and production planning. In his first year at Allegro Aqua, Jeffrey introduced nutritional needs management for early larvae, started a vaccination team and instituted *and* improved protocols, leading to a threefold increase in hatchery production – a strong testament to his belief in continuous improvement in larviculture to maximise production efficiency. Prior to joining Allegro Aqua, Jeffrey served as Chief Analytics Officer at Marine Life Aquaculture from

2015 – 2018, and was responsible for setting up a vaccination team there, reducing antibiotics usage to near-zero, shortening the production cycle by 25%, as well as doubling nursery and sea cage production in a span of 2 years.

Markus Schrittwieser, General Manager, UVAXX

With over 10 years in the veterinary and aquaculture industry across Europe, Markus brings wide experience in finfish health and physiology as well as water quality analysis. His histopathology and disease management skills add a strong dimension to the Group's UVAXX team. Markus has a M.Sc from the University of Stirling, UK and has published with Marine Scotland Science.

9.4 Benefits upon termination

No members of Management or the Board of Directors are entitled to any additional remuneration following the termination of their employments/service.

9.5 Employees

As per the date of this Information Document, the Group has approximately 160 employees.

On 14 March 2018, the Company approved and adopted a share based incentive plan known as the Barramundi Group Annual Share Option Scheme. The Barramundi Group Annual Share Option Scheme was subsequently amended on 14 March 2021 and further amended by approval of the Board of Directors on 15 September 2020 and by approval of the shareholders on 30 September 2020. The total number of Shares over which new options may be granted shall not exceed 10% of the total number of issued Shares on the date preceding the date of grant of the relevant new option. Up to 75% of the total number of options will be allocated to BGL's employees, based on their performance, seniority, salary, the CEO's recommendation and Board of Directors' approval. Up to 25% of the total number of options will be allocated to the CEO.

9.6 Corporate governance requirements

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

As the Company is not listed on any Regulated Market, no mandatory corporate governance code applies. The trading of the Company's Shares on Euronext Growth Oslo does not provide specific requirements in terms of corporate governance code, such as the Norwegian Code of Practice for Corporate Governance. However, the Company intends to maintain a high level of corporate governance standards and will consider the implications of the Norwegian Code of Practice going forward.

As the Company is not listed on the Singapore Exchange Securities Trading Limited, the Company does not need to comply with the Singapore Code of Corporate Governance.

9.7 Conflicts of interests etc.

During the last five years preceding the date of this Information Document, none of the members of the Board of Directors or the members of the Management has, or had, as applicable:

- (a) any convictions in relation to indictable offences or convictions in relation to fraudulent offences;
- (b) 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
- (c) 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 Board of Directors and/or the members of the Management, except that James Kwan - Chief Marketing Officer & Head of Operations and Production (SG), is the brother of Andrew Kwan – Director.

None of the members of the Board of Directors 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 Barramundi Group Ltd. The Company is a public company limited by shares incorporated under the laws of Singapore, having its registered office at 35 Fishery Port Road, #116, New Fish Merchant Building, Singapore 619742, registered with the Accounting and Corporate Regulatory Authority of Singapore with registration number 200722778K. The Company was incorporated on 10 December 2007.

The Company's registered address is 35 Fishery Port Road, #116, New Fish Merchant Building, Singapore 619742, which is also its principal place of business. The telephone number to the Company's principal offices is +65 6261 0010 and the website is <https://barramundi.com>.

The Shares are registered in book-entry form with the VPS under ISIN SGXZ33675836. The Company's register of shareholders with the VPS is administrated by the VPS Registrar, DNB Bank ASA. The Company's LEI code is 254900Z1VT9KY0P9EP44.

10.2 Legal structure

The chart included in Section 7.4 sets out the Group's legal structure as of the date of this Information Document.

10.3 Share capital and share capital history

10.3.1 Overview

The Shares have been validly issued under the laws of Singapore and are fully paid. As at the date of this Information Document, the Company has issued 40,369,983 ordinary shares, with an issued and paid-up share capital of SGD 153,976,242.63. Assuming the Greenshoe Option is exercised in full (see Section 6.2), another SGD 1,800,000 comprising 800,000 new Shares will be added the share capital of the Company, which will then have in total 41,169,983 Shares.

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

The Shares 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 covered by the Financial Statements to the date of the Information 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 or in kind for the period covered by the Financial Statements until the date of this Information Document.

Date	Event	Capital increase (SGD unless otherwise stated)	Share price (SGD unless otherwise stated)	Share capital (SGD)	New shares issued	Total no. of Shares
1.1.2019	Status	-	-	68,089,009.63		176,895,454
21.03.2019	Conversion of Class A Ordinary Shares and Preference Shares into Shares	0	1.00	68,089,010.63	0	176,895,455

		at a rate of 1 Class A Ordinary Share = 1 Share, and 1 Preference Share = 1 Share				
24.05.2019	Rights issue and fundraise	38,605,779	0.60	106,694,789.63	64,342,965 ordinary shares	241,238,420
31.12.2019	Share buyback from Commonwealth Harvests Pte. Ltd.	(105,000)	0.53	105,154,252	(200,000 ordinary shares)	241,038,420
13.03.2020	Allotment of Shares	16,200,000	0.60	Ordinary - 105,154,252 Preference - 16,200,000	27,000,000 redeemable convertible preference shares	Ordinary - 241,038,420 Preference - 27,000,000
05.01.2021	Redemption of RPS	(2,251,623.60)	0.60	Ordinary - 105,154,252 Preference - 13,948,376.40	(3,752,706 redeemable convertible preference shares)	Ordinary - 241,038,420 Preference - 23,247,294
31.05.2021	Share Consolidation	-	-	Ordinary - 105,154,252 Preference - 13,948,376.40	-	Ordinary - 16,069,213 Preference - 23,247,294
06.08.2021	Redemption of RPS	(13,948,376.40)	0.60	Ordinary - 106,589,789.63 Preference - 0	(23,247,294 redeemable convertible preference shares)	Ordinary - 16,069,213 Preference - 0
06.08.2021	Conversion of convertible loans into ordinary shares	29,161,453.00	1.80	Ordinary - 135,751,242.63 Preference - 0	16,200,770 ordinary shares	Ordinary - 32,269,983 Preference - 0
11.08.2021	Private Placement	18,225,000	2.25	Ordinary - SGD 153,976,242.63 Preference - 0	8,100,000 ordinary shares	Ordinary - 40,369,983 Preference - 0

10.3.3 Authorisation to issue additional Shares

On 5 April 2021, the shareholders of the Company passed resolutions authorising, *inter alia*, pursuant to Section 161 of the Companies Act and subject to the Constitution, the directors of the Company to allot and issue shares in the Company at any time and to any persons on such terms and conditions and with such rights or restrictions as they may in their absolute discretion deem fit, including as the directors may deem necessary in connection with the Admission to Trading, and that this authority shall continue in force until the conclusion of the next Annual General Meeting or at the expiry of the period within which the next Annual General Meeting is required by law to be held, whichever is earlier.

Other than this, the Board of Directors has no authorisations to increase the Company's share capital.

10.3.4 Other financial instruments issued by the Company – Barramundi Group Annual Share Option Scheme

The Barramundi Group Annual Share Option Scheme was approved and adopted by the Company on 14 March 2018 and subsequently amended on 14 March 2019 and further amended by approval of the Board of Directors 15 September 2020 and by approval of the shareholders on 30 September 2020.

As at the Admission Date, options in respect of a total of 1,553,333 Shares have been granted under the Barramundi Group Annual Share Option Scheme to a total of 34 persons, of which 32 are employees of the Group, one is the chairman of the Board of Directors and one is a co-founder, all of which are still outstanding.

10.4 Ownership Structure

As at the date of this Information Document, there are a total of 72 persons holding Shares.

There are no limits restricting foreign ownership of the Shares, without prejudice to the prohibition on certain persons under international sanctions from holding shares in a Singapore company or having an interest therein. A person who holds ordinary shares through the VPS will only be entitled to vote at a general meeting as a shareholder if his name appears on the register maintained by the VPS 72 hours before the general meeting. There are no special voting arrangements in place for registered holders of shares in the Company.

The table below shows the ten largest shareholders in the Company on the date of this Information Document.

Shareholder	% of the Company's share capital
Warif Holdings Limited	10.8%
Barramundi Asia Holdings Pte. Ltd.	10.4%
Martin Fassler	8.3%
Commonwealth Harvests Pte. Ltd.	7.2%
Temasek Life Sciences Laboratory Limited	5.1%
Far East Ventures Pte. Ltd.	4.9%
Southern Capital Management Limited	4.8%
Knutsson Holdings AB	3.7%
Louis Dreyfus Company Asia Pte. Ltd.	3.7%
Andrew Kwan Kok Tiong	3.5%

As per the date of this Information Document, neither the Company nor any of its subsidiaries hold any ordinary shares in the Company or any Shares in the form of depositary receipts.

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

To the Company's knowledge, there are no persons that can be identified as Beneficial Owners as defined in the EU Legislation on anti-money laundering. Beneficial Owners are understood as any natural person(s) who ultimately owns or controls the customer.

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 Company's shares carries one vote. The rights attached to the Shares are further described in Section 10.6 "*The Constitution*" and Section 10.7 "*Certain aspects of Singapore corporate law*".

10.6 The Constitution

The Constitution is enclosed in [Appendix A](#) to the Information Document, a summary of which is given below:

10.6.1 Objective of the Company

The objects for which the Company is established are to carry on, undertake, take part or engage in any business or activity, matter or thing of any kind whatsoever and do any act or enter into any transaction without any restriction or limitation whatsoever as to the nature or description thereof.

10.6.2 Share capital

The Company's issued and paid-up share capital is SGD 153,976,242.63 comprising 40,369,983 Shares, all of the same class.

10.6.3 The Board of Directors

The number of directors of the Company shall not be less than 2.

10.6.4 Restrictions on transfer of Shares

Other than the lock-up as described in Section 6.4 above, there are no restrictions on transfer of the Shares registered in the VPS (except where required by law or the listing rules of, or bye-laws and rules, governing, Euronext Growth Oslo).

Preference shares may be issued subject to such limitations thereof as may be prescribed by Euronext Growth Oslo or any other stock exchange from time to time upon which shares in the Company are listed. Provided always that the total number of issued preference shares shall not exceed the total number of issued ordinary shares at any time. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and financial statements and attending general meetings of the Company, and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking of the Company or where the proposition to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrears.

The Company shall also have the power to issue further preference shares ranking equally with or in priority to any preference shares already issued.

Any general meeting at which it is proposed to pass a special resolution or (save as provided by the Companies Act and every other legislation for the time being in force concerning companies and affecting the Company) a resolution of which special notice has been given to the Company, shall be called by 21 days' notice in writing at the least and an annual general meeting and any other extraordinary general meeting by 14 days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in the manner hereinafter mentioned to all shareholders other than such as are not under the provisions of the Constitution and the Companies Act entitled to receive such notices from the Company; provided that a general meeting, notwithstanding that it has been called by a shorter notice than that specified above, shall be deemed to have been duly called if it is so agreed:

- (a) in the case of an annual general meeting by all the shareholders entitled to attend and vote thereat; and
- (b) in the case of an extraordinary general meeting by a majority in number of the shareholders having a right to attend and vote thereat, being a majority together holding not less than 95 per cent of the total voting rights of all the members having a right to vote at that meeting,

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any general meeting. So long as the shares in the Company are listed on Euronext Growth Oslo or any other stock exchange from time to time upon which the Shares are listed, at least 14 days' notice of any general meeting shall be given by advertisement in the daily press and in writing to Euronext Growth Oslo or any other stock exchange from time to time upon which the Shares are listed.

Every member who is present in person or by proxy shall on a poll, have one vote for every Share which he holds or represents.

The Company shall not exercise any right in respect of treasury shares other than as provided by the Companies Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Companies Act.

Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted under the Companies Act:

- (a) all dividends in respect of Shares must be paid in proportion to the number of Shares held by a shareholder but where Shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid Shares; and
- (b) all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid.

An amount paid or credited as paid on a Share in advance of a call is to be ignored.

If the Company shall be wound up (whether the liquidation is voluntary, under supervision, or by the court) the liquidator may, with the authority of a special resolution, divide among the shareholders in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

If the Company shall be wound up, and the assets available for distribution among the shareholders as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the shareholders in proportion to the capital paid-up, at the commencement of the winding up, on the Shares in respect which they are shareholders respectively. If in a winding up the assets available for distribution among the shareholders shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess shall be distributed amongst the shareholders in proportion to the capital at the commencement of the winding up paid-up on the Shares in respect which they are members respectively, without prejudice to the rights of the holders of Shares issued by the VPS issued upon special terms and conditions.

10.7 Certain aspects of Singapore corporate law

10.7.1 General meetings

The Company is required to hold a general meeting of shareholders every year and within 6 months from the end of its financial year. The Board of Directors may convene an extraordinary general meeting whenever they think fit and it must do so upon the written request of shareholders holding not less than 10.0% of the total number of paid-up Shares as carries the right to vote at general meetings (disregarding paid-up Shares held as treasury shares). In addition, 2 or more shareholders holding not less than 10.0% of the total number of issued Shares may call a meeting of the shareholders. Unless otherwise required by law or by the Constitution, voting at general meetings is by ordinary resolution, requiring an affirmative vote of a simple majority of the votes cast at that meeting. An ordinary resolution suffices, for example, for the appointment of directors. A special resolution, requiring the affirmative vote of at least 75.0% of the votes cast at the meeting, is necessary for certain matters under Singapore law, including:

- voluntary winding-up;
- amendments to the Constitution;
- a change of the Company's corporate name;
- a reduction in the share capital.

The Company must give at least 21 days' notice in writing for every general meeting convened for the purpose of passing a special resolution. Ordinary resolutions generally require at least 14 days' notice in writing. For so long as the Shares are listed on Euronext Growth Oslo, at least 14 days' notice of any general meeting shall be given in writing to Euronext Growth Oslo and by advertisement in the daily press. The notice must be given to every shareholder who has supplied the Company with an address in Singapore for the giving of notices and must set forth the place, the day and the hour of the meeting and, in the case of special business, the general nature of that business.

10.7.2 Voting rights

A shareholder is entitled to attend, speak and vote at any general meeting, in person or by proxy. A shareholder who is a relevant intermediary (including a banking corporation licensed under the Banking Act, Chapter 19 of Singapore, a person holding a capital markets services licence to provide custodial services under the Securities and Futures Act, Chapter 289 of Singapore and the Central Provident Fund Board may appoint more than 2 proxies to attend, speak and vote at the same general meeting. Proxies need not be a shareholder. A person who holds ordinary shares through the VPS will only be entitled to vote at a general meeting as a shareholder if his name appears on the register maintained by the VPS 72 hours before the general meeting. Except as otherwise provided in the Constitution, 2 or more shareholders must be present in person or by proxy to constitute a quorum at any

general meeting. Under the Constitution, on a poll, every shareholder present in person or by proxy shall have 1 vote for each Share which he holds or represents. In the case of an equality of vote, the chairman of the meeting shall be entitled to a casting vote.

10.7.3 Additional issuances and preferential rights

New Shares may only be issued with the prior approval in a general meeting of the shareholders. The approval, if granted, will lapse at the conclusion of the annual general meeting following the date on which the approval was granted or the date by which the annual general meeting is required by law to be held, whichever is the earlier but any approval may be previously revoked or varied by the Company in general meeting. Subject to the foregoing, the provisions of the Companies Act and any special rights attached to any class of Shares currently issued, all new Shares are under the control of the Board of Directors who may allot and issue the same with such rights and restrictions as it may think fit.

Issuance of new Shares to shareholders who are citizens or residents of the United States and other jurisdictions upon the exercise of preferential rights may require the Company to file a registration statement or prospectus in the United States under United States securities laws or in such other jurisdictions under the laws of such jurisdictions. Should the Company in such a situation decide not to file a registration statement or prospectus, the Company's U.S. shareholders and shareholders in such other jurisdictions may not be able to exercise their preferential rights. To the extent that shareholders are not able to exercise their rights to subscribe for new shares, the value of their subscription rights will be lost and such shareholders' proportional ownership interests in the Company will be reduced.

10.7.4 Minority rights

Section 216 of the Companies Act protects the rights of minority shareholders of Singapore incorporated companies by giving the Singapore courts a general power to make any order, upon application by any shareholder, as they think fit to remedy any of the following situations:

- if the Company's affairs are being conducted or the powers of the Board of Directors are being exercised in a manner oppressive to, or in disregard of the interests of, one or more of the shareholders; or
- if the Company takes an action, or threatens to take an action, or the shareholders pass a resolution, or propose to pass a resolution, which unfairly discriminates against, or is otherwise prejudicial to, one or more of the shareholders, including the applicant.

Singapore courts have a wide discretion as to the reliefs they may grant and those reliefs are in no way limited to those listed in the Companies Act itself. Without prejudice to the foregoing, Singapore courts may:

- direct or prohibit any act or cancel or vary any transaction or resolution;
- regulate the conduct of the Company's affairs in the future;
- authorise civil proceedings to be brought in the Company's name, or on the Company's behalf, by a person or persons and on such terms as the court may direct;
- direct the Company or some of its shareholders to purchase a minority shareholder's Shares and, in the case of the Company's purchase of Shares, a corresponding reduction of its share capital;
- direct that the Constitution be amended; or
- direct that the be wound up.

In addition, Section 216A of the Companies Act allows a complainant (including a minority shareholder) to apply to court for leave to bring an action in a court proceeding or to commence an arbitration proceeding in the name and on behalf of a company.

In addition, 2 or more shareholders holding not less than 10.0% of the total number of issued Shares may call a meeting of the shareholders.

10.7.5 *Rights of redemption and repurchase of shares*

The share capital of the Company may be reduced by way of a capital reduction in accordance with the Companies Act. Such a decision requires *inter alia* a special resolution of the shareholders to be passed.

The Company may purchase its own Shares in accordance with the Companies Act. Such a decision requires *inter alia* the approval of the shareholders. In general, the total number of Shares that may be purchased or acquired by the Company the period commencing from the date of the shareholders' approval and expiring on the date the next annual general meeting of the Company is or is required to be held, whichever is the earlier, shall not exceed 20% of the total number of Shares in the Company as at the date of the shareholders' approval. In addition, a payment made by the Company in consideration of such purchase or acquisition may only be made out of the Company's capital or profits so long as the Company is solvent within the meaning of the Companies Act.

10.7.6 *Shareholder vote on certain reorganisations*

A decision of the Company's shareholders to amalgamate with another company requires *inter alia* a special resolution of the shareholders to be passed. In the case of an amalgamation which is not a short form amalgamation within the meaning of the Companies Act, an amalgamation proposal would have to be sent to all the Company's shareholders (along with certain other required documentation) and secured creditors, and a notice of the proposed amalgamation would have to be published in at least one English newspaper circulating generally in Singapore.

10.7.7 *Liability of board members*

The directors of the Company owe fiduciary duties to the Company, including the duty to act in good faith and in the Company's best interests.

Directors may each be held liable for breaches of their duty to the Company. Singapore law permits the general meeting to give advance consent to, and to ratify a breach of a director's duties, but such full and frank disclosure must be made to the shareholders.

10.7.8 *Indemnification of board members*

As permitted by Singapore law, the Constitution provides that the Company may, subject to the provisions of and so far as may be permitted by the Companies Act, indemnify the Board of Directors and its officers against any liability incurred or to be incurred by them in the execution of their duties. Subject to certain exceptions, the Company may not indemnify the Board of Directors and its officers against any liability attaching to them in connection with any negligence, default, breach of duty or breach of trust in relation to the Company. Such exceptions are: (a) the purchase and maintenance for the directors and officers of the Company of insurance against any such liability; and (b) circumstances where the provision for indemnity is against liability incurred by the directors and officers of the Company to a person other than the Company, except when the indemnity is against (i) any liability of a director or officer of the Company to pay a fine in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising); or (ii) any liability incurred by a director or officer of the Company (A) in defending criminal proceedings in which he is convicted; (B) in defending civil proceedings brought by the Company or a related company in which judgment is given against him; or (C) in connection with an application for relief under Section 76A(13) or Section 391 of the Companies Act in which the court refuses to grant him relief.

10.7.9 *Distribution of assets on liquidation*

Under Singapore law, the Company may be wound-up by a special resolution of the Company's shareholders. If the Company is liquidated or in the event of any other return of capital, holders of the Shares will be entitled to participate in the distribution of any surplus assets in proportion to their shareholdings, subject to any special rights attaching to any other classes of shares in the Company.

10.8 VPS registration of the Shares

10.8.1 Introduction

In order to facilitate registration of the Shares with the VPS, the Company has entered into a registrar agreement with the VPS Registrar, who operates the VPS register in respect of the ordinary shares in the Company. The Shares have ISIN SGXZ33675836 in the VPS.

The Shares are freely transferable, with delivery and settlement through the VPS system. The VPS is the Norwegian paperless centralised securities register. It is a computerised bookkeeping system in which the ownership of, and all transactions relating to, shares listed in Norway must be recorded. The VPS and the Oslo Stock Exchange are both wholly owned by Oslo Børs VPS Holding ASA.

All transactions relating to securities registered with the VPS are made through computerised book entries. No physical share certificates are, or may be, issued for each transaction. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. 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.

The VPS is liable for losses 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 liability only applies to direct losses, and such liability is in any event limited to a maximum of NOK 500 million for any individual error.

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

The Company will pay dividends, if any, directly to the VPS Registrar, which in turn has undertaken to distribute an amount equal to any such dividends to the shareholders in accordance with the Registrar Agreement. Shareholders who maintain a Norwegian address in the VPS Register or have supplied VPS with details of their NOK account shall receive their respective payment in NOK to such account. Dividends will however be resolved and paid by the Company in SGD as the accounting currency of the Company. Shareholders whose address registered with the VPS is outside Norway and who have not supplied the VPS with details of any NOK account, will receive the respective payment by cheque in their local currency. If it is not practical in the VPS Registrar's sole opinion to issue a cheque in a local currency, a cheque will be issued in USD. The exchange rate(s) that will be applied will be DNB Bank ASA's exchange rate on the date of issuance.

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 in certain cases. 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 Euronext Growth Oslo.

10.9 Takeover bids and forced transfer of shares

The Company is subject to the Singapore Take-Over Code. The Singapore Take-Over Code contains certain provisions that may possibly delay, deter or prevent a future take-over or change in control of the Company. Under the Singapore Take-Over Code, except with the consent of the Securities Industry Council of Singapore, any person acquiring an interest, whether by a series of transactions over a period of time or not, either on his own or together with parties acting in concert with him, in 30.0% or more of the Shares, is required to extend a take-over offer for

the remaining voting Shares in accordance with the Singapore Take-Over Code. Except with the consent of the Securities Industry Council of Singapore, such a take-over offer is also required to be made if a person holding between 30.0% and 50.0% (both inclusive) of the Shares, either on his own or together with parties acting in concert with him, acquires additional voting Shares representing more than 1.0% of the voting Shares in any period of 6 months. While the Singapore Take-Over Code seeks to ensure an equality of treatment among shareholders, its provisions could substantially impede the ability of the shareholders to benefit from a change of control and, as a result, may adversely affect the market price of the Shares and the ability to realise any benefits from a potential change of control.

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 Market, 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 such as Euronext Growth Oslo. Inside information is defined in the Market Abuse Regulation and refers to precise information about financial instruments issued by the Company admitted to trading, about the Company admitted 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.

According to Singapore law, a person who possesses inside information and who knows or ought reasonably to know that such information is inside information must not, whether as principal or agent, trade in or procure anyone else to trade in the Shares, or communicate the inside information to another person if he knows or ought reasonably to know that the other person would be likely to so trade, where inside information refers to information concerning the Company that is not generally available, but if generally available could reasonably be expected to have a material effect on the price or value of the Shares.

11 TAXATION

11.1 Singapore taxation

The following is a discussion of certain tax matters arising under the current tax laws in Singapore and is not intended to be and does not constitute legal or tax advice. The summary below is based on laws, regulations, interpretations, rulings and decisions in effect as at the Admission Date. These laws, regulations, interpretations, rulings and decisions, however, may change at any time, and any change could be retrospective to the date of issuance of the Shares. These laws and regulations are also subject to various interpretations and the relevant tax authorities or the courts of Singapore could later disagree with the explanations or conclusions set out herein. The summary below is not intended to constitute a comprehensive or exhaustive description of the taxes mentioned herein nor of all the taxes that may be applicable or relevant to the subscription for, ownership and disposal of the Shares.

Prospective investors should consult their own tax advisors and/or legal advisors regarding taxation in Singapore and other consequences of subscribing for, owning and disposing of the Shares. It is emphasized that neither the Company, its Directors nor any other persons involved in this Information Document accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Shares.

INDIVIDUAL INCOME TAX

An individual is a tax resident in Singapore in a year of assessment if, in the preceding year, he was physically present in Singapore or exercised an employment in Singapore (other than as a director of a company) for 183 days or more, or if he resides in Singapore. Individual taxpayers who are Singapore tax residents are subject to Singapore income tax on income accruing in or derived from Singapore. All foreign-sourced income received in Singapore on or after 1 January 2004 by a Singapore tax resident individual (except for income received through a partnership in Singapore) is exempt from Singapore income tax if the Comptroller of Income Tax in Singapore is satisfied that the tax exemption would be beneficial to the individual. A Singapore tax resident individual is taxed at progressive rates ranging from 0.0% to 22.0%. Non-resident individuals, subject to certain exceptions provided for in the Income Tax Act or Singapore's tax treaties, are subject to Singapore income tax on income accruing in or derived from Singapore at the rate of 22.0%.

Corporate Income Tax

A corporate taxpayer is regarded as resident in Singapore for Singapore tax purposes if the control and management of its business is exercised in Singapore. Corporate taxpayers who are Singapore tax residents are subject to Singapore income tax on income accruing in or derived from Singapore and, subject to certain exceptions, on foreign-sourced income received or deemed to be received in Singapore. Foreign-sourced income in the form of dividends, branch profits and service income received or deemed to be received in Singapore by Singapore tax resident companies on or after 1 June 2003 are exempt from tax if certain prescribed conditions are met, including the following: (i) such income is subject to tax of a similar character to income tax under the law of the jurisdiction from which such income is received; and (ii) at the time the income is received in Singapore, the highest rate of tax of a similar character to income tax (by whatever name called) levied under the law of the territory from which the income is received on any gains or profits from any trade or business carried on by any company in that territory at that time is not less than 15.0% and (iii) the Comptroller of Income Tax is satisfied that the tax exemption would be beneficial to the corporate taxpayer. Certain concessions and clarifications have also been announced by the Inland Revenue Authority of Singapore with respect to such conditions. A non-resident corporate taxpayer is subject to income tax on income that is accrued in or derived from Singapore, and on foreign-sourced income received or deemed received in Singapore, subject to certain exceptions. The corporate tax rate in Singapore is currently 17.0%. In addition, three-quarters of up to the first SGD10,000 of a company's annual normal chargeable income, and one-half of up to the next SGD190,000, is exempt from corporate tax from the year of assessment 2020 onwards. The remaining chargeable income (after the partial tax exemption) will be fully taxable at the prevailing corporate tax rate.

Dividend Distributions

All Singapore-resident companies are currently under the one-tier corporate tax system. Dividends received in respect of the Shares by either a Singapore tax resident or non-resident shareholder are not subject to Singapore withholding tax, on the basis that the Company is a tax resident of Singapore and under the one-tier corporate tax system. Under the one-tier corporate tax system, the tax on corporate profits is final and dividends paid by a Singapore-resident company are tax exempt in the hands of a shareholder, regardless of whether the shareholder is a company or an individual and whether or not the shareholder is a Singapore tax resident. However, foreign shareholders receiving tax exempt (one-tier) dividends are advised to consult their own tax advisors on the tax implications in their countries of residence.

Gains on Disposal of Shares

Singapore currently does not impose tax on capital gains. However, there are no specific laws or regulations which deal with the characterisation of whether a gain is income or capital in nature. In general, gains or profits arising from the disposal of the Shares may be construed to be of an income nature and subject to Singapore income tax, especially if they arise from activities which the Inland Revenue Authority of Singapore regards as the carrying on of a trade or business in Singapore. Shareholders who apply, or who are required to apply, Singapore Financial Reporting Standard 39, Singapore Financial Reporting Standard 109 or Singapore Financial Reporting Standard (International) 9 (as the case may be) may for the purposes of Singapore income tax be required to recognise gains or losses (not being gains or losses in the nature of capital) in accordance with the provisions of Singapore Financial Reporting Standard 39, Singapore Financial Reporting Standard 109 or Singapore Financial Reporting Standard (International) 9 (as the case may be) (as modified by the applicable provisions of Singapore income tax law) even though no sale or disposal of the Shares is made. Shareholders who may be subject to this tax treatment should consult their accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of the Shares. As the precise status of one shareholder will vary from another, shareholders are advised to consult their own professional advisers on the Singapore tax consequences that may apply to their individual circumstances.

Stamp Duty

There is no stamp duty payable on the subscription for the Shares. Where the Shares evidenced in certificated form are acquired in Singapore, stamp duty is payable on the instrument of transfer of the Shares at the rate of 0.2% of the consideration for, or market value of, the Shares, whichever is higher. Stamp duty is borne by the purchaser unless there is an agreement to the contrary. Where an instrument of transfer is executed outside Singapore or no instrument of transfer is executed, no stamp duty is payable on the acquisition of the Shares. However, stamp duty may be payable if the instrument of transfer is executed outside Singapore and is received in Singapore.

Estate Duty

Singapore estate duty was abolished with respect to all deaths occurring on or after 15 February 2008.

Goods and Services Tax ("GST")

The sale of the Shares by a GST-registered investor belonging in Singapore for GST purposes to another person belonging in Singapore is an exempt supply not subject to GST. Any input GST incurred by the GST-registered investor in making an exempt supply is generally not recoverable from the Singapore Comptroller of GST. Where the Shares are sold by a GST-registered investor in the course of or furtherance of a business carried on by such investor contractually to and for the direct benefit of a person belonging outside Singapore, the sale should generally, subject to satisfaction of certain conditions, be considered a taxable supply subject to GST at 0.0%. Any input GST incurred by the GST-registered investor in making such a supply in the course of or furtherance of a business may be fully recoverable from the Singapore Comptroller of GST. Services consisting of arranging, brokering, underwriting or advising on the issue, allotment or transfer of ownership of the Shares rendered by a GST-registered person to an investor belonging in Singapore for GST purposes in connection with the investor's purchase, sale or holding of the Shares will be subject to GST at the standard rate of 7.0%. Similar services rendered by a GST-registered person contractually to and for the direct benefit of an investor belonging outside Singapore should generally, subject to the satisfaction of certain conditions, be subject to GST at 0.0%.

Investors should seek their own tax advice on the recoverability of GST incurred on expenses in connection with purchase and sale of the Shares.

11.2 Norwegian taxation

11.2.1 Introduction

This subsection presents a brief outline of certain tax aspects under Norwegian law related to holding and disposal of shares in the Company. The presentation is based on Norwegian tax regulations in force as of the date of this Admission Document and describes the tax situation for Norwegian shareholders (shareholders with Norwegian tax residency). The presentation does not concern tax issues for the Company. This subsection does not include any information with respect to taxation in any other jurisdiction than Norway, and the presentation only focuses on the shareholder categories explicitly mentioned below. Hence, this subsection does i.a. not exhaustively cover the tax situation for non-Norwegian shareholders holding or disposing off shares in the Company through a Norwegian permanent establishment. Further, special rules, which are not mentioned below, may apply to shareholders which are transparent entities for tax purposes and for shareholders that have moved or will move out of Norway. The presentation is of general nature and is not intended to be an exhaustive analysis of all possible tax aspects relating to shares in or dividends paid from the Company. Accordingly, prospective holders of shares in the Company should consult and rely upon their own tax advisors as to the consequences under the tax regulations of Norway and elsewhere. The presentation is subject to any amendments to tax laws and regulations that may occur after the date of this Admission Document, including any retroactive enforcement. Please note that for the purpose of this subsection, a reference to a Norwegian or foreign shareholder refers to the tax residency and not the nationality of the shareholder.

11.2.2 Norwegian shareholders

Taxation of dividends - Norwegian Personal Shareholders

Dividends distributed to shareholders who are individuals resident in Norway for tax purposes ("Norwegian Personal Shareholders") are taxable in Norway for such distribution at an effective tax rate of 31.68% to the extent the dividend exceeds a tax-free allowance (i.e. dividends received, less the tax free allowance, shall be multiplied by 1.44 which are then included as ordinary income taxable at a flat rate of 22%, increasing the effective tax rate on dividends received by Norwegian Personal Shareholders to 31.68%).

The allowance is calculated on a share-by-share basis. The allowance for each share is equal to the cost price of the share multiplied by a risk free interest rate based on the effective rate after tax of interest on treasury bills (Nw.: statskasseveksler) with three months maturity increased by 0.5%. The allowance is calculated for each calendar year, and is allocated solely to Norwegian Personal Shareholders holding shares at the expiration of the relevant calendar year.

Norwegian Personal 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 allowance one year exceeding the dividend distributed on the share ("excess allowance") may be carried forward and set off against future dividends received on, or gains upon realisation, of the same share.

Taxation of dividends - Norwegian Corporate Shareholders

Dividends distributed by companies resident in Singapore for tax purposes, including dividends from the Company, received by Norwegian shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes ("Norwegian Corporate Shareholders"), are taxable as ordinary income in Norway for such shareholders at a flat rate of 22%, unless the shares qualify for the Norwegian participation exemption method, in which case 3% of dividends are subject to ordinary taxation, resulting in an effective tax rate of 0.66%. To qualify for the participation exemption method the shareholder must hold at least 10% of the share capital and voting rights of the Company for a duration of at least two years, during which the dividends has been distributed, and the Company cannot be considered tax resident in a low tax jurisdiction. A low tax jurisdiction is a jurisdiction where the

effective tax rate is less than two thirds of what the tax rate would have been had the Company been subject to Norwegian tax rules.

Taxation of capital gains - Norwegian Personal Shareholders

Capital gains derived from the realization of shares in the Company by Norwegian Personal Shareholders are taxable in Norway at an effective tax rate of 31.68% to the extent the capital gain exceeds a tax-free allowance (i.e. capital gain received, less the tax free allowance, shall be multiplied by 1.44 which are then included as ordinary income taxable at a flat rate of 22%, increasing the effective tax rate on capital gains received by Norwegian Personal Shareholders to 31.68%). The tax-free allowance is further described above. Any loss incurred upon realisation of such shares are deductible.

Taxation of capital gains - Norwegian Corporate Shareholders

A capital gain or loss derived by a Norwegian Corporate Shareholder from a disposal of shares in the Company is taxable or tax deductible in Norway. The taxable gain/deductible loss per share is calculated as the difference between the consideration for the share and the Norwegian Corporate Shareholder's cost price of the share, including costs incurred in relation to the acquisition or disposal of the share. Such capital gain or loss is included in or deducted from the basis for computation of ordinary income in the year of disposal. Ordinary income is taxable at a rate of 22%. The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of shares disposed of. If the shares qualify for the Norwegian participation exemption method a gain is tax exempt and a loss is not deductible. To qualify for the exemption method the shareholder must hold at least 10% of the share capital and voting rights of the Company for at least two years and the Company cannot be considered tax resident in a low tax jurisdiction. A low tax jurisdiction is a jurisdiction where the effective tax rate is less than two thirds of what the tax rate would have been had the Company been subject to Norwegian tax rules.

If the Norwegian Corporate Shareholder owns shares acquired at different points in time, the shares that were acquired first will be regarded as the first to be disposed of, on a first-in first-out basis.

11.2.3 Non-Norwegian shareholders

As a general rule, dividends and capital gains generated by Non-Norwegian tax resident shareholders ("Non-Norwegian Shareholders") are not taxable in Norway unless the Non-Norwegian Shareholder holds the shares in connection with the conduct of a trade or business in Norway.

11.2.4 Net wealth tax

The value of shares is included in the basis for the computation of net wealth tax imposed on Norwegian Personal Shareholders. Currently, the marginal net wealth tax rate is 0.85% of the value assessed. The value for assessment purposes for shares in non-Norwegian companies admitted to trading on the Euronext Growth Market is the same as for non-listed companies. The value is equal to 55% of assumed sales value of the shares as of 1 January in the year of assessment (i.e. the year following the relevant fiscal year). The listed value on the Euronext Growth Market will most likely be the assumed value of the shares. Norwegian Corporate Shareholders are not subject to net wealth tax. Shareholders not resident in Norway for tax purposes are not subject to Norwegian net wealth tax. Non-Norwegian personal shareholders can, however, be taxable if the shareholding is effectively connected to the conduct of trade or business in Norway

11.2.5 VAT and transfer taxes

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of shares.

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 Euronext Growth Oslo.

The Company is not taking any action to permit a public offering of the Shares in any jurisdiction. Receipt of this Information Document does not constitute an offer and this Information Document is for information only and should not be copied or redistributed. If an investor receives a copy of this Information Document, the investor may not treat this Information 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 Information 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, Euronext Growth Oslo 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*

Euronext Growth Oslo 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 Euronext Growth Oslo 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 Euronext Growth Oslo 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 an 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 Information Document.

12.2.4 *Singapore*

Each Manager has acknowledged that this Information Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Manager has represented, warranted and agreed that it has not offered or sold any Shares or caused the Shares to be made the subject of an invitation for subscription or purchase and will not offer or sell any Shares or cause the Shares to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Shares, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor

Securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Shares pursuant to an offer made under Section 275 of the SFA except:

- (a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law; or
- (d) as specified in Section 276(7) of the SFA

12.2.5 *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 Information 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 Information 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, Euronext Growth Oslo 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 Information 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 depository 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, Euronext Growth Oslo 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 Information Document will be deemed to have represented, warranted and agreed to and with Euronext Growth Oslo 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 Euronext Growth Oslo 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 Euronext Growth Oslo

The Company applied Oslo Børs ASA for the Admission to Trading on Euronext Growth Oslo on 30 July 2021. The first day of the Admission to Trading is expected to be on or around 12 August 2021.

13.2 Information sourced from third parties and expert opinions

In this Information 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 Information Document.

13.3 Independent auditor

The Company's independent auditor is Nexia TS Public Accounting Corporation, with registration number 200507237N and registered 80 Robinson Road, #25-00, Singapore 068898. The partners of Nexia TS Public Accounting Corporation are members of the Institute of Singapore Chartered Accountants.

Nexia TS Public Accounting Corporation has been the Company's independent auditor since 28 December 2020.

KPMG LLP were the auditors for 2018 and a clean audit opinion was issued for the 2018 financial statements. With the Company's listing plans, KPMG LLP was not able to undertake the 2019 audit for completion within the timing required. Nexia TS Public Accounting Corporation was appointed for 2019 audit given their ability to complete the 2019 audit on time.

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, as Euronext Growth Advisor.

Pareto Securities AS, with business registration number 956 632 374 and registered address Dronning Mauds gate 3, 0250 Oslo, Norway, acted as Joint Bookrunner in connection with the Private Placement

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.

Advokatfirmaet BAHR AS, with business registration number 919 513 063 and registered business address at Tjuvholmen allé 16, 0252 Oslo, Norway, is acting as Norwegian legal counsel to the Euronext Growth Advisor. A separate team of Wikborg Rein Advokatfirma AS has acted as due diligence advisors to the Euronext Growth Advisor.

14 DEFINITIONS AND GLOSSARY OF TERMS

Information Document	This Information Document dated 12 August 2021
Admission or Admission to Trading	The admission to trading of the Company's Shares on Euronext Growth Oslo, expected to take place on or around 12 August 2021
Annual Financial Statements	The audited consolidated financial statements for the Group as of and for the years ended 31 December 2020 and 31 December 2019 prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)), included in Appendix B and C.
Board of Directors or Board Members	The Board of Directors of the Company
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Company or BGL	Barramundi Group Ltd.
Companies Act	The Companies Act, Chapter 50 of Singapore
Constitution	Constitution of the Company as of 5 April 2021
EEA	European Economic Area
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	UK Financial Services and Markets Act 2000
Group	The Company and its subsidiaries
Management	The members of the Company's executive management
Euronext Growth Advisor	DNB Markets, a part of DNB Bank ASA
Euronext Growth Oslo	A multilateral trading facility operated by Oslo Børs ASA
NOK	Norwegian Kroner, the lawful currency of Norway
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.: <i>verdipapirhandelloven</i>)
Norwegian Shareholders	Shareholders who are resident in Norway for tax purposes
Private Placement	A private placement consisting of an issuance of 8,100,000 Shares and a sale of 800,000 borrowed Shares at a subscription price of NOK 14.70 / SGD 2.25 per Share, raising gross proceeds of NOK 130,830,000 / SGD 20,025,000
Regulated Market	A market for financial instruments within the scope of Article 4(1)(21) of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments
Relevant Member State	Each Member State of the European Economic Area which has implemented the EU Prospectus Regulation
R&D	Research and development

SGD	Singapore dollar, the lawful currency of Singapore
Singapore Take-Over Code	The Singapore Code on Take-Overs and Mergers
Share(s)	The shares of the Company, consisting as at the date of this Information Document of 40,369,983 Shares.
United States	The United States of America
VPS Registrar	DNB Bank ASA, Registrars Department
VPS	The Norwegian Central Securities Depository (Nw.: <i>Verdipapirsentralen ASA</i>)



BARRAMUNDI GROUP LTD.

35 Fishery Port Road #116

New Fish Merchant Building

Singapore 619742

<https://www.barramundi.com>



DNB Markets, a part of DNB Bank ASA

Dronning Eufemias gate 30

0191 Oslo

Norway

Phone: +47 23 26 81 01

<https://www.dnb.no/markets>

WIKBORG | REIN

Wikborg Rein Advokatfirma AS

Dronning Mauds gate 11

0250 Oslo

Norway

Phone: +47 22 82 75 00

<https://www.wr.no/>

Appendix A – Constitution

Company No. : 200722778K

THE COMPANIES ACT (CAP. 50)

PUBLIC COMPANY LIMITED BY SHARES

CONSTITUTION

OF

BARRAMUNDI GROUP LTD.

INCORPORATED ON THE 10th DAY OF DECEMBER 2007

LODGED IN THE OFFICE OF
THE ACCOUNTING AND CORPORATE REGULATORY AUTHORITY OF SINGAPORE

**NEW CONSTITUTION of
BARRAMUNDI GROUP LTD.**

(Adopted by Special Resolution passed on 5 April 2021)

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THE COMPANIES ACT, CHAPTER 50

PUBLIC COMPANY LIMITED BY SHARES

NEW CONSTITUTION

of

BARRAMUNDI GROUP LTD.

(Adopted by Special Resolution passed on 5 April 2021)

RECITAL

- | | | |
|----|---|--------------------------------|
| A. | The name of the Company is " BARRAMUNDI GROUP LTD. ". | Company name |
| B. | The registered office of the Company will be situated in the Republic of Singapore. | The Office |
| C. | The objects for which the Company is established are to carry on, undertake, take part or engage in any business or activity, matter or thing of any kind whatsoever and do any act or enter into any transaction without any restriction or limitation whatsoever as to the nature or description thereof. | |
| D. | The liability of the Members is limited. | Liability of members limited |
| E. | Subject to applicable laws and the listing rules of the Stock Exchange and such limitations thereof as may be prescribed by the Stock Exchange, as applicable, the shares in the original or any increased capital may be divided into several classes and there may be attached thereto respectively any preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as to dividend, capital, voting or otherwise. | |
| F. | Subject to the provisions of the Act, and any other written law and the Constitution, the Company has: (a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction and (b) for the purposes of paragraph (a), full rights, powers and privileges. | Capacity and powers of Company |

PRELIMINARY

- | | | |
|----|--|------------------------------------|
| 1. | The regulations in the model constitution prescribed under Section 36(1) of the Companies Act, Chapter 50 shall not apply to the Company, except in so far as the same are repeated or contained in this Constitution. | Model Constitution
not to apply |
| 2. | In these Regulations (if not inconsistent with the subject or context) the words interpretation and expressions set out in the first column below shall bear the meanings set opposite to them respectively. | Interpretation |

WORDS

MEANINGS

"the Act"	The Companies Act, Cap. 50 of Singapore and any statutory modification, amendment or re-enactment thereof for the time being in force.
"address" or "registered address"	In respect of any Member, his physical address for service or delivery of notices or documents personally or by post, unless otherwise expressly provided in this Constitution.
"the Company"	Barramundi Group Ltd. and by whatever name from time to time called.
"the Constitution"	This Constitution or other regulations of the Company for the time being in force.
"Depositor"	A holder of a depository receipt issued by the Depository.
"Depository"	The Verdipapirsentralen ASA (Euronext VPS).
"Depository Register"	A register maintained by the Depository in respect of book-entry securities.
"the Directors" or "the Board"	The Directors for the time being of the Company or such number of them as have authority to act for the Company.
"General Meeting"	A general meeting of the Company.

"Market Day"	A day on which the Stock Exchange is open for trading securities.
"Member"	A person who is registered as the holder of shares in the capital of the Company.
"month"	Calendar month.
"the Office"	The registered office of the Company for the time being.
"Register of Members"	The Company's register of Members to be kept pursuant to Section 190 of the Act.
"these Regulations"	The regulations of this Constitution as altered from time to time by special resolution.
"Seal"	The Common Seal of the Company.
"the Secretary"	Any person or persons appointed under these Regulations to perform the duties of the Secretary of the Company including any person appointed temporarily. Where two or more persons are appointed to act as Joint Secretaries, or where one or more Assistant or Deputy Secretaries are appointed, the expression "Secretary" shall include any one of those persons.
"the Statutes"	The Act and every other legislation for the time being in force concerning companies and affecting the Company.
"Stock Exchange"	Euronext Growth Oslo or any other stock exchange from time to time upon which shares in the Company are listed.
"Year"	Calendar Year.
"in writing"	Written or produced by any substitute for writing or partly one and partly another.

The expressions referring to writing include, unless the contrary intention appears, references to printing, lithography, photography and other modes of representing or reproducing words, symbols or other information which may be displayed in a visible form, whether physical or electronic or otherwise.

The expressions "Chief Executive Officer", "current address", "electronic communication", "relevant intermediary" and "treasury shares" shall have meanings ascribed to them respectively in the Act.

References in these Regulations to "holders" of shares or a class of shares shall:

- (a) exclude the Depository or its nominee (as the case may be) except where otherwise expressly provided in these Regulations or where the term "registered holders" or "registered holder" is used in these Regulations;
- (b) where the context so requires, be deemed to include references to Depositors whose names are entered in the Depository Register in respect of those shares; and
- (c) except where otherwise expressly provided in these Regulations, exclude the Company in relation to shares held by it as treasury shares,

and "holding" and "held" shall be construed accordingly.

References in these Regulations to "Member" shall, where the Act requires, exclude the Company where it is a Member by reason of its holding of its shares as treasury shares.

All such of the provisions of these Regulations as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" shall be construed accordingly.

Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include corporations.

Any reference in these Regulations to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Subject as aforesaid any words or expression defined in the Act shall (if not inconsistent with the subject or context) bear the same meanings in these Regulations.

A special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Regulations.

The headnotes and marginal notes are inserted for convenience only and shall not affect the construction of these Regulations.

The words or expressions contained in this Constitution must be interpreted in accordance with the provisions of the Interpretation Act (Cap. 1) of Singapore, and of the Act in force as at the date at which the Constitution becomes binding on the Company.

ISSUE OF SHARES

3. Subject to the Statutes and these Regulations, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to Regulation 8, and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration (if any) and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and subject to applicable laws and the listing rules of the Stock Exchange and such limitations thereof as may be prescribed by the Stock Exchange, as applicable, any shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors, Provided always that:
- Issue of Shares
- (a) (subject to any direction to the contrary that may be given by the Company in General Meeting) any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Regulation 8(A) with such adaptations as are necessary shall apply; and
 - (b) any other issue of shares, the aggregate of which would exceed the limits referred to in Regulation 8(B), shall be subject to the approval of the Company in General Meeting.

PREFERENCE SHARES

4. (A) Preference shares may be issued subject to such limitations thereof as may be prescribed by any Stock Exchange upon which shares in the Company may be listed. Provided always that the total number of issued preference shares shall not exceed the total number of issued ordinary shares at any time. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and financial statements and attending General Meetings of the Company, and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking of the Company or where the proposition to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrear. Preference shares
- (B) The Company shall also have the power to issue further preference shares ranking equally with or in priority to any preference shares already issued. Issue of further preference capital

TREASURY SHARES

5. The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act. Treasury shares

VARIATION OF RIGHTS

6. Whenever the share capital of the Company is divided into different classes of shares, subject to the provisions of the Statutes and applicable laws and the listing rules of the Stock Exchange and such limitations thereof as may be prescribed by the Stock Exchange, as applicable, preference capital, other than redeemable preference capital, may be repaid and the special rights attached to any class may be varied or abrogated either with the consent in writing of the holders of three-quarters of the issued shares of the class or with the sanction of a special resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may so be repaid, varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting all the provisions of these Regulations relating to General Meetings of the Company and to proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third of the issued shares of the class. Provided always that where the necessary majority for such special resolution is not obtained at such General Meeting, consent in writing if obtained from the holders of three quarters of the issued shares of the class concerned within two months of such General Meeting shall be as valid and effectual as a special resolution carried at such General Meeting. The foregoing provisions of this Regulation shall apply to the variation or abrogation

of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

7. The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto.

ALTERATION OF SHARE CAPITAL

8. (A) Unless any direction to the contrary is given by the Company in General Meeting or if required under the provisions of the listing rules of the Stock Exchange, all new shares (before issue) shall not be required to be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of General Meetings. If required, the offer shall be made to such persons who as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion, as far as the circumstances admit, to the number of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. If required, the Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Regulation 8(A). Offer of new shares to Members
- (B) Notwithstanding Regulation 8(A), the Company may by ordinary resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the ordinary resolution, to: General authority
- (a) (i) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and

- (b) (notwithstanding the authority conferred by the ordinary resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the ordinary resolution was in force,

Provided that:-

- (1) the aggregate number of shares to be issued pursuant to the ordinary resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the ordinary resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Stock Exchange;
- (2) in exercising the authority conferred by the ordinary resolution, the Company shall comply with the listing rules of the Stock Exchange for the time being in force (unless such compliance is waived by the Stock Exchange) and these Regulations; and
- (3) (unless revoked or varied by the Company in General Meeting) the authority conferred by the ordinary resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the ordinary resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).

(C) Except so far as otherwise provided by the conditions of issue or by these Regulations, all new shares shall be subject to the provisions of the Statutes and of these Regulations with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

New share subject to statutes and these Regulations

9. (A) The Company may by ordinary resolution:
- (a) consolidate and divide all or any of its shares;
- (b) sub-divide its shares, or any of them (subject, nevertheless, to the provisions of the Statutes and these Regulations), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to new shares; and

Alteration of capital

- (c) subject to the provisions of the Statutes, convert its share capital or any class of shares from one currency to another currency.
- (B) The Company may by special resolution, subject to the provisions of the Statutes, convert any class of shares into any other class of shares.
10. (A) The Company may reduce its share capital or any undistributable reserve in any manner and with and subject to any incident authorised and consent required by law. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these Regulations, the number of issued shares of the Company shall be diminished by the number of the shares so cancelled, and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly. Power to reduce capital
- (B) The Company may, subject to and in accordance with the Act, purchase or otherwise acquire its issued shares on such terms and in such manner as the Company may from time to time think fit. If required by the Act, any share which is so purchased or acquired by the Company shall, unless held in treasury in accordance with the Act, be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Act. Share purchase

SHARES

11. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Regulations or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository or its nominee (as the case may be)) entered in the Register of Members as the registered holder thereof or (as the case may be) the person whose name is entered in the Depository Register in respect of that share. Absolute owner of shares
12. (A) Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued and subject to applicable laws and the listing rules of the Stock Exchange and such limitations thereof as may be prescribed by the Rights and privileges of new shares

Stock Exchange, as applicable, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by ordinary resolution or, if required by the Statutes, by special resolution determine (or, in the absence of any such determination, as the Directors may determine) and subject to the provisions of the Statutes, the Company may issue preference shares which are, or at the option of the Company are liable, to be redeemed.

- (B) The rights attaching to shares of a class other than ordinary shares shall be expressed in this Constitution. Shares of a class other than ordinary shares
13. Subject to the provisions of these Regulations and of the Statutes relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto, all new shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper. Power of Directors to issue shares
14. (A) The Company may pay commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. Power to pay commission and brokerage
- (B) Any expenses (including commissions or brokerage) incurred directly by the Company in the issue of new shares may be paid out of the proceeds of the issue or the Company's share capital. Such payment shall not be taken as reducing the amount of share capital in the Company. Power to pay expenses incurred in the issue of shares out of share capital
- (C) Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest on so much of that share capital as is for the time being paid up for the period and charge the same to capital as part of the cost of the construction of the works or buildings or the provision of the plant, subject to the conditions and restrictions mentioned in the Act. Power to pay interest where shares are issued to defray expenses incurred in the construction of any works
15. Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within 10 Market Days of the closing date (or such other period as may be approved by the Stock Exchange of any such application. The Directors may, at any time after the allotment of any share but before any person had been entered in the Register of Members as the holder or (as the case may be) before that share is entered against the name if a Depositor in the Depository Register, recognise a renunciation thereof by the Allotment of shares

allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

SHARE CERTIFICATES

16. Every share certificate shall be issued in accordance with the requirements of the Act and be under the Seal or signed in the manner set out in the Act. No certificate shall be issued representing shares of more than one class. Share certificates
17. (A) The Company shall not be bound to register more than three persons as the registered holders of a share except in the case of executors or administrators (or trustees) of the estate of a deceased Member. Joint holders
- (B) In the case of a share registered jointly in the names of several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to any one of the registered joint holders shall be sufficient delivery to all. Issue of certificate to joint holders
18. Every person whose name is entered as a member in the Register of Members shall be entitled to receive, within 10 Market Days (or such other period as may be approved by the Stock Exchange) of the closing date of any application for shares or, as the case may be, the date of lodgment of a registrable transfer, one certificate for all his shares of any one class or several certificates in reasonable denominations each for a part of the shares so allotted or transferred. Where such a Member transfers part only of the shares comprised in a certificate, the old certificate shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and such Member shall pay a maximum fee of S\$2 or each new certificate or such other fee as the Directors may from time to time determine having regard to any limitations thereof as may be prescribed by the Stock Exchange. Entitlement to certificate
19. (A) Any two or more certificates representing shares of any one class held by any person whose name is entered in the Register of Members may at his request be cancelled and a single new certificate for such shares issued in lieu without charge. Consolidation of share certificates
- (B) If any person whose name is entered in the Register of Members shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request. Such person shall (unless such fee is waived by the Directors) pay a maximum fee of S\$2 for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine Sub-division of share certificates

having regard to any limitation thereof as may be prescribed by the Stock Exchange.

(C) In the case of shares registered jointly in the names of several persons any such request may be made by any one of the registered joint holders. Requests by joint holders

20. Subject to the provisions of the Statutes, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the Member, transferee, person entitled, purchaser, member firm or member company of the Stock Exchange or on behalf of its or their client or clients as the Directors of the Company shall require, and (in case of defacement or wearing out) on delivery up of the old certificate and in any case on payment of such sum not exceeding S\$2 as the Directors may from time to time require. In the case of destruction, loss or theft, a Member or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss. Replacement share certificates

UNPAID SHARES

21. All shares shall be fully paid up on issue. No unpaid shares
22. [intentionally left blank]
23. [intentionally left blank]
24. [intentionally left blank]
25. [intentionally left blank]
26. [intentionally left blank]
27. [intentionally left blank]
28. [intentionally left blank]
29. [intentionally left blank]
30. [intentionally left blank]
31. [intentionally left blank]
32. [intentionally left blank]
33. [intentionally left blank]

34. [intentionally left blank]

35. [intentionally left blank]

TRANSFER OF SHARES

36. All transfers of the legal title in shares may be effected by the registered holders thereof by transfer in writing in the form for the time being approved by the Stock Exchange or in any other form acceptable to the Directors. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and be witnessed, Provided always that an instrument of transfer in respect of which the transferee is the Depository or its nominee (as the case may be) shall be effective although not signed or witnessed by or on behalf of the Depository or its nominee (as the case may be). The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof. Form and execution of transfer

37. The Register of Members may be closed at such times and for such period as the Directors may from time to time determine, Provided always that such Register shall not be closed for more than 30 days in any Year, Provided always that the Company shall give prior notice of such closure as may be required to the Stock Exchange, stating the period and purpose or purposes for which the closure is made. Closure of transfer books and Register of Members

38. There shall be no restriction on the transfer of shares (except where required by law or the listing rules of, or bye-laws and rules, governing, the Stock Exchange). No restriction on transfer

39. [intentionally left blank]

40. [intentionally left blank]

41. [intentionally left blank]

42. [intentionally left blank]

43. [intentionally left blank]

44. [intentionally left blank]

45. [intentionally left blank]

STOCK

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|-----|---|---|
| 46. | The Company may from time to time by ordinary resolution convert any paid-up shares into stock and may from time to time by like resolution reconvert any stock into paid-up shares. | Conversion of shares to stock and re-conversion |
| 47. | The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units as the Directors may from time to time determine. | Transfer of stock |
| 48. | The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by the number of stock units which would not, if existing in shares, have conferred such privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted. | Rights of stockholders |

GENERAL MEETINGS

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| 49. | Save as otherwise permitted under the Act, an Annual General Meeting shall be held at such time and place as may be determined by the Directors subject to and in accordance with the provisions of the Act. All other General Meetings shall be called Extraordinary General Meetings. | Annual general meeting and extraordinary general meeting |
| 50. | The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene an Extraordinary General Meeting. | Calling extraordinary general meeting |

NOTICE OF GENERAL MEETINGS

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| 51. | Any General Meeting at which it is proposed to pass a special resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by 21 days' notice in writing at the least and an Annual General Meeting and any other Extraordinary General Meeting by 14 days' notice in writing at | Notice of general meeting |
|-----|--|---------------------------|

the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in the manner hereinafter mentioned to all Members other than such as are not under the provisions of these Regulations and the Act entitled to receive such notices from the Company; Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:

- (a) in the case of an Annual General Meeting by all the Members entitled to attend and vote thereat; and
- (b) in the case of an Extraordinary General Meeting by a majority in number of the Members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent of the total voting rights of all the Members having a right to vote at that meeting,

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting. So long as the shares in the Company are listed on any Stock Exchange, at least 14 days' notice of any General Meeting shall be given by advertisement in the daily press and in writing to the Stock Exchange.

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| 52. | <p>(A) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a Member of the Company.</p> <p>(B) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.</p> <p>(C) In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as a special resolution, the notice shall contain a statement to that effect.</p> | <p>Contents of notice for general meeting</p> <p>Contents of notice for annual general meeting</p> <p>Notice of general meeting for special business and special resolutions</p> |
| 53. | <p>Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:</p> <ul style="list-style-type: none"> (a) declaring dividends; | <p>Routine business</p> |

- (b) receiving and adopting the financial statements, the reports of the Auditors and the statements of the Directors and other documents required to be attached or annexed to the financial statements;
- (c) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;
- (d) re-appointing the Auditors;
- (e) fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed; and
- (f) fixing the remuneration of the Directors proposed to be paid in respect of their office under Regulation 79.

54. Any notice of a General Meeting to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution on the Company in respect of such special business. Statement regarding effect of special business

PROCEEDINGS AT GENERAL MEETINGS

55. The Chairman of the Board of Directors, failing whom the Deputy Chairman, shall preside as chairman at a General Meeting. If there be no such Chairman or Deputy Chairman, or if at any meeting neither be present within 10 minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number (or, if no Director be present or if all the Directors present decline to take the chair, the Members present shall choose one of their number) to be chairman of the meeting. Chairman of general meeting
56. No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two or more Members present in person or by proxy. Provided always that: Quorum
- (i) a proxy representing more than one Member shall only count as one Member for the purpose of determining the quorum; and

- (ii) where a Member is represented by more than one proxy such proxies shall count as only one Member for the purpose of determining the quorum.
57. If within 30 minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if that day is a public holiday then to the next business day following that public holiday) at the same time and place or such other day, time or place as the Directors may by not less than 10 days' notice appoint. At the adjourned meeting any one or more Members present in person or by proxy shall be a quorum. If quorum not present, adjournment or dissolution of meeting
58. The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or *sine die*) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned *sine die*, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for 30 days or more or *sine die*, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting. Business at adjourned meeting
59. Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. Notice of adjournment not required
60. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon. Amendment of resolutions
61. All resolutions at General Meetings shall be voted by poll. Mandatory polling
62. Where a poll is taken, it shall be taken in such manner (including the use of ballot or voting papers) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken. The chairman of the meeting may (and if so directed by the meeting or if required by the listing rules of the Stock Taking a poll

Exchange) appoint at least one scrutineer for each General Meeting who shall be independent of the persons undertaking the polling process and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

63. In the case of an equality of votes, the chairman of the meeting shall be entitled to a casting vote. Casting vote of chairman
64. [intentionally left blank]

VOTES OF MEMBERS

65. A holder of a share shall be entitled to be present and to vote at any General Meeting in respect of any share or shares upon which all calls due to the company have been paid. Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Regulation 5, each Member entitled to vote may vote in person or by proxy. Every Member who is present in person or by proxy shall on a poll, have one vote for every share which he holds or represents. How Members may vote

For the purpose of determining the number of votes which a Member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at 72 hours before the time of the relevant General Meeting as certified (if relevant) by the Depository to the Company.

66. In the case of joint holders of a share, any one of such holders may vote in person or by proxy, but if more than one such holder is present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members or (as the case may be) the Depository Register in respect of the share (with the name that stands first being most senior). Voting rights of joint holders
67. Where in Singapore or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any Member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to Voting by receivers

production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such Member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.

68. No Member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of such shares remains unpaid. Entitlement of Members to vote
69. No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive. When objection to admissibility of votes may be made
70. On a poll, votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. Vote on a poll
71. (A) Save as otherwise provided in the Act: Appointment of proxies
- (a) a Member who is not a relevant intermediary may appoint not more than two proxies to attend, speak and vote at the same General Meeting. Where such Member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy; and
 - (b) a Member who is a relevant intermediary may appoint more than two proxies to attend, speak and vote at the same General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member. Where such Member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.
- (B) In any case where a Member is a Depositor, the Company shall be entitled and bound:

- (a) to reject any instrument of proxy lodged by that Depositor if he is not shown to have any shares entered against his name in the Depository Register as at 72 hours before the time of the relevant General Meeting as certified by the Depository to the Company; and
 - (b) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by that Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at 72 hours before the time of the relevant General Meeting as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.
- (C) The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy. Notes and instructions
- (D) A proxy need not be a Member of the Company. Proxy need not be a Member
- (E) A Member who has deposited an instrument appointing any number of proxies to vote on his behalf at a General Meeting shall not be precluded from attending and voting in person at that General Meeting. Any such appointment of all the proxies concerned shall be deemed to be revoked upon the attendance of the Member appointing the proxy/proxies at the relevant General Meeting. Revocation of appointment of proxy where Member attends
72. (A) An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and: Execution of proxies
- (a) in the case of an individual, shall be:
 - (i) signed by the appointor or his attorney if the instrument is delivered personally or sent by post; or
 - (ii) authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and

- (b) in the case of a corporation, shall be:
 - (i) either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation if the instrument is delivered personally or sent by post; or
 - (ii) authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.

The Directors may, for the purposes of Regulations 72(A)(a)(ii) and 72(A)(b)(ii), designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.

(B) The signature on, or authorisation of, such instrument need not be witnessed. Where an instrument appointing a proxy is signed or authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to Regulation 73, failing which the instrument may be treated as invalid. Witness and authority

(C) The Directors may, in their absolute discretion approve the method and manner for an instrument appointing a proxy to be authorised, and designate the procedure for authenticating an instrument appointing a proxy, as contemplated in Regulations 72(A)(a)(ii) and 72(A)(b)(ii) for application to such Members or class of Members as they may determine. Where the Directors do not so approve and designate in relation to a Member (whether a class or otherwise), Regulation 72(A)(a)(i) and/or (as the case may be) Regulation 72(A)(b)(ii) shall apply.

73. (A) An instrument appointing a proxy: Deposit or proxies
- (a) if sent personally or by post, must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Office); or
 - (b) if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of note to

or in any document accompanying the notice convening the meeting,

and in either case, not less than 72 hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates; Provided always that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered in accordance with this Regulation 73 for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.

(B) The Directors may, in their absolute discretion, and in relation to such Members or class of Members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communications, as contemplated in Regulation 73(A)(b). Where the Directors do not so specify in relation to a Member (whether of a class or otherwise), Regulation 73(A)(a) shall apply.

Directors may specify means for electronic communications

74. An instrument appointing a proxy shall be deemed to confer authority to move any resolution or amendment thereto and to speak at the meeting.

Rights of proxies

75. A vote cast by proxy shall not be invalidated by the previous death or mental disorder of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made, Provided always that no intimation in writing of such death, mental disorder or revocation shall have been received by the Company at the Office at least one hour before the commencement of the meeting or adjourned meeting.

Intervening death or mental disorder

CORPORATIONS ACTING BY REPRESENTATIVES

76. Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member of the Company and such corporation shall for the purposes of these Regulations (but subject to the Act) be deemed to be present in

Corporations acting by representatives

person at any such meeting if a person so authorised is present
threat.

DIRECTORS

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| 77. | The number of Directors of the Company shall not be less than two. All Directors of the Company shall be natural persons. | Number of directors |
| 78. | A Director shall not be required to hold any shares of the Company by way of qualification. A Director who is not a Member of the Company shall nevertheless be entitled to attend and speak at General Meetings. | No share qualification for Directors |
| 79. | The ordinary remuneration of the Directors shall from time to time be determined by an ordinary resolution of the Company, shall not be increased except pursuant to an ordinary resolution passed at a General Meeting where notice of the proposed increase shall have been given in the notice convening the General Meeting and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. | Remuneration of Directors |
| 80. | (A) Any Director who holds any executive office, or who serves on any committee of the Directors, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine. | Remuneration for work outside scope of ordinary duties |
| | (B) The remuneration (including any remuneration under Regulation 80(A) above) in the case of a Director other than an Executive Director shall be payable by a fixed sum and shall not at any time be by commission on or percentage of the profits or turnover, and no Director whether an Executive Director or otherwise shall be remunerated by a commission on or a percentage of turnover. | Payment of remuneration |
| 81. | The Directors may repay to any Director all such reasonable expenses as he may incur in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or otherwise in or about the business of the Company. | Reimbursement of expenses |

82. The Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director for the time being holding any executive office and for the purpose of providing any such pensions or other benefits to contribute to any scheme or fund or to pay premiums. Power to pay pension and other benefits
83. (A) A Director or Chief Executive Officer, as the case may be, may be party to or in any way interested in any contract or arrangement or transaction or proposed transaction to which the Company is a party or in which the Company is in any way interested and shall not be liable to account for any profit made by him by reason of any such contract; Provided Always that the Director or Chief Executive Officer who is in any way whether directly or indirectly interested in any such contract or transaction observes the provisions of Section 156 of the Act relating to the disclosure of the interests of the Directors and Chief Executive Officer in such contracts or transactions. No Director shall vote as a Director in respect of such contract or arrangement or transaction or proposed transaction in which he has directly or indirectly a personal material interest. Directors and Chief Executive Officers may contract with Company
- (B) A Director may hold and be remunerated in respect of any office or place of profit (other than the office of Auditor of the Company or any subsidiary thereof) under the Company or any other company in which the Company is in any way interested.
- (C) A Director (or any firm of which he is a Member) may act in a professional capacity for the Company (other than as Auditor) or any such other company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- In any such case as aforesaid (save as otherwise agreed) a Director may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thereof.
84. (A) The Directors may from time to time appoint one or more of their body to be the holder of any executive office (including, where considered appropriate, the office of Chairman or Deputy Chairman) on such terms and for such period as they may (subject to the provisions of the Statutes) determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment. Directors may hold executive offices

(B) The appointment of any Director to the office of Chairman or Deputy Chairman shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

Cessation of directorship of Chairman or Deputy Chairman

(C) The appointment of any Director to any other executive office shall not automatically determine if he ceases from any cause to be a Director, unless the contract or resolution under which he holds office shall expressly state otherwise, in which event such determination shall be without prejudice to any claim for damages for breach of any contract of service between him and the Company.

Cessation of directorship of Executive Director

85. The Directors may entrust to and confer upon any Directors holding any executive office any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit, and either collaterally with or to the exclusion of their own powers, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

Power of Executive Directors

CHIEF EXECUTIVE OFFICERS

86. The Directors may from time to time appoint one or more of their body to be Chief Executive Officer or Chief Executive Officers (or other equivalent position) of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. Where an appointment is for a fixed term such term shall not exceed five years.

Appointment of Chief Executive Officer

87. A Chief Executive Officer (or person holding an equivalent position) who is a Director shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to retirement by rotation, resignation and removal as the other Directors of the Company.

Retirement, removal and resignation of Chief Executive Officer

88. The remuneration of a Chief Executive Officer (or person holding an equivalent position) shall from time to time be fixed by the Directors and may subject to these Regulations be by way of salary or commission or participation in profits or by any or all these modes but he shall not under any circumstances be remunerated by a commission on or a percentage of turnover.

Remuneration of the Chief Executive Officer

89. A Chief Executive Officer (or person holding an equivalent position) shall at all times be subject to the control of the Directors but subject thereto the Directors may from time to time entrust to and confer upon a Chief Executive

Powers of the Chief Executive Officer

Officer (or person holding an equivalent position) for the time being such of the powers exercisable under these Regulations by the Directors as they may think fit and may confer such powers for such time and to be exercised on such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

APPOINTMENT AND RETIREMENT OF DIRECTORS

90. The office of a Director shall be vacated in any of the following events, namely:
- When office of Director to be vacated
- (a) if he shall become prohibited or disqualified by law from acting as a Director in Singapore or elsewhere (for reasons other than on technical grounds); or
 - (b) if (not being a Director holding any executive office for a fixed term) he shall resign by writing under his hand left at the Office or if he shall in writing offer to resign and the Directors shall resolve to accept such offer, or
 - (c) if he shall have a bankruptcy order made against him or shall compound with his creditors generally; or
 - (d) if he becomes mentally disordered and incapable of managing himself or his affairs, or if in Singapore or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention or for the appointment of a guardian or for the appointment of a receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs; or
 - (e) if he is removed by the Company in General Meeting pursuant to these Regulations.
91. At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third), selected in accordance with Regulation 92, shall retire from office by rotation (in addition to any Director retiring pursuant to Regulation 97).
- Retirement of Directors by rotation

92. The Directors to retire in every year shall be those subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election. Selection of Directors to retire
93. The Company at the meeting at which a Director retires under any provision of these Regulations may by ordinary resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases: Filling vacated office
- (a) where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost; or
 - (b) where such Director is disqualified under the Act from holding office as a Director or has given notice in writing to the Company that he is unwilling to be re-elected; or
 - (c) where the default is due to the moving of a resolution in contravention of Regulation 94.
- The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.
94. A resolution for the appointment of two or more persons as Directors by a single resolution shall not be moved at any General Meeting unless a resolution that it shall be so moved has first been agreed to by the meeting without any vote being given against it; and any resolution moved in contravention of this provision shall be void. Resolution for appointment of Directors
95. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than 11 clear days (exclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged at the Office notice in writing signed by some Member (other than the person to be Notice of intention to appoint Director

proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election or notice in writing signed by the person to be proposed giving his consent to the nomination and signifying his candidature for the office, Provided always that in the case of a person recommended by the Directors for election not less than nine clear days' notice shall be necessary. Notice of each and every such person shall be served on the Members at least seven days prior to the meeting at which the election is to take place.

96. The Company may in accordance with and subject to the provisions of the Statutes by ordinary resolution of which special notice has been given remove any Director from office (notwithstanding any provision of these Regulations or of any agreement between the Company and such Director, but without prejudice to any claim he may have for damages for breach of any such agreement) and appoint another person in place of a Director so removed from office and any person so appointed shall be treated for the purpose of determining the time at which he or any other Director is to retire by rotation as if he had become a Director on the day on which the Director in whose place he is appointed was last elected a Director. In default of such appointment the vacancy arising upon the removal of a Director from office may be filled as a casual vacancy. Removal of Directors
97. The Company may by ordinary resolution appoint any person to be a Director either to fill a casual vacancy or as an additional Director. Without prejudice thereto the Directors shall have power at any time so to do, but any person so appointed by the Directors shall hold office only until the next Annual General Meeting. He shall then be eligible for re-election, but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting. Director's power to fill casual vacancies and appoint additional Directors

ALTERNATE DIRECTORS

98. (A) Any Director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person (other than another Director) to be his Alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by a majority of his co-Directors, shall have effect only upon and subject to being so approved. A person shall not act as Alternate Director to more than one Director at the same time. Appointment of alternate Directors
- (B) The appointment of an Alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if the Director concerned (below called "his principal") ceases to be a Director. Determination of appointment of alternate Directors
- (C) An Alternate Director shall (except when absent from Singapore) be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which his principal is not personally present and generally at such meeting to perform all functions of his principal as a Director and for the purposes of the proceedings at such meeting the provisions of these Regulations shall apply as if he (instead of his principal) were a Director. If his principal is for the time being absent from Singapore or temporarily unable to act through ill health or disability, his signature to any resolution in writing of the Directors shall be as effective as the signature of his principal. To such extent as the Directors may from time to time determine in relation to any committee of the Directors, the foregoing provisions of this paragraph shall also apply *mutatis mutandis* to any meeting of any such committee of which his principal is a Member. An Alternate Director shall not (save as aforesaid) have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Regulations. Powers of alternate Directors
- (D) An Alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as Alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his principal as such principal may by notice in writing to the Company from time to time direct. Alternate Directors may contract with Company

MEETINGS AND PROCEEDINGS OF DIRECTORS

99. (A) Subject to the provisions of these Regulations the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. At any time any Director may, and the Secretary on the requisition of a Director shall, summon a meeting of the Directors. It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Singapore. Any Director may waive notice of any meeting and any such waiver may be retroactive. Meeting of Directors
- (B) Directors may participate in a meeting of the Directors by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, without a Director being in the physical presence of another Director or Directors, and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting. The Directors participating in any such meeting shall be counted in the quorum for such meeting and subject to there being a requisite quorum in accordance with Regulation 100, all resolutions agreed by the Directors in such meeting shall be deemed to be as effective as a resolution passed at a meeting in person of the Directors duly convened and held. A meeting conducted by means of a conference telephone or similar communications equipment as aforesaid is deemed to be held at the place agreed upon by the Directors attending the meeting, Provided that at least one of the Directors present at the meeting was at that place for the duration of the meeting. Participation by telephone or video conference
100. The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors and unless so fixed at any other number shall be two. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors. Quorum
101. Questions arising at any meeting of the Directors shall be determined by a majority of votes. In case of an equality of votes (except where only two Directors are present and form the quorum or when only two Directors are competent to vote on the question in issue) the chairman of the meeting shall have a second or casting vote. Votes
102. A Director shall not vote in respect of any contract or proposed contract or arrangement or any other proposal whatsoever in which he has any personal material interest, whether directly or indirectly. A Director shall not be counted in Directors not to vote on transactions in

- the quorum at a meeting in relation to any resolution on which he is debarred from voting. which they have an interest
103. The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Regulations the continuing Directors or Director may act for the purpose of filling up such vacancies or of summoning General Meetings, but not for any other purpose (except in an emergency). If there be no Directors or Director able or willing to act, then any two Members may summon a General Meeting for the purpose of appointing Directors. Proceedings in case of vacancies
104. (A) The Directors may elect from their number a Chairman and a Deputy Chairman (or two or more Deputy Chairmen) and determine the period for which each is to hold office. If no Chairman or Deputy Chairman shall have been appointed or if at any meeting of the Directors no Chairman or Deputy Chairman shall be present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting. Chairman and Deputy Chairman
- (B) If at any time there is more than one Deputy Chairman the right in the absence of the Chairman to preside at a meeting of the Directors or of the Company shall be determined as between the Deputy Chairmen present (if more than one) by seniority in length of appointment or otherwise as resolved by the Directors. Absence of Chairman
105. A resolution in writing signed by a majority of Directors shall be as effective as a resolution duly passed at a meeting of the Directors and may consist of several documents in the like form, each signed by one or more Directors. The expressions "in writing" and "signed" include approval by any such Director by telefax or any form of electronic communication approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors. Resolutions in writing
106. The Directors may delegate any of their powers or discretion to committees consisting of one or more members of their body and (if thought fit) one or more other persons co-opted as hereinafter provided. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and for such co-opted members to have voting rights as members of the committee. Power to appoint committees

107. The meetings and proceedings of any such committee consisting of two or more members shall be governed *mutatis mutandis* by the provisions of these Regulations regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under the last preceding Regulation. Proceedings at committee meetings
108. All acts done by any meeting of Directors, or of any such committee, or by any person acting as a Director or as a member of any such committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was defect in the appointment of any of the persons acting as aforesaid, or that any such persons were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or member of the committee and had been entitled to vote. Validity of acts of Directors in committees in spite of some formal defect

BORROWING POWERS

109. Subject as hereinafter provided and to the provisions of the Statutes, the Directors may exercise all the powers of the Company to borrow money, to mortgage or charge its undertaking, property and uncalled capital and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. Directors' borrowing powers

GENERAL POWERS OF DIRECTORS

110. The business and affairs of the Company shall be managed by or under the direction or supervision of the Directors. The Directors may exercise all such powers of the Company as are not by the Statutes or by this Constitution required to be exercised by the Company in General Meeting. The Directors shall not carry into effect any proposals for selling or disposing of the whole or substantially the whole of the Company's undertaking unless such proposals have been approved by the Company in General Meeting. The general powers given by this Regulation 110 shall not be limited or restricted by any special authority or power given to the Directors by this Constitution. General power of Directors to manage Company's business
111. The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in Singapore or elsewhere, and may appoint any persons to be members of such local boards, or any managers or agents, and may fix their remuneration, and may delegate to any local board, manager or agent any of the powers, authorities and discretions vested in the Directors, with power to sub-delegate, and may authorise the members of any local boards, or any of them, to fill Directors may establish local boards or agencies

any vacancies therein, and to act notwithstanding vacancies, and any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

112. The Directors may from time to time and at any time by power of attorney or otherwise appoint any company, firm or person or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Regulations) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. Directors may appoint attorneys
113. All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by resolution determine. Cheques, etc.

STATUTORY RECORDS

114. (A) The Company or the Directors on behalf of the Company may in exercise of the powers in that behalf conferred by the Statutes cause to be kept a Branch Register or Register of Members and the Directors may (subject to the provisions of the Statutes) make and vary such regulations as they may think fit in respect of the keeping of any such Register. Registers
- (B) The Directors shall duly comply with the provisions of the Act and in particular the provisions with regard to the registration of charges created by or affecting property of the Company, providing information to the Registrar of Companies appointed under the Act in relation to its Directors, Chief Executive Officers, Secretaries and Auditors, keeping a Register of Members, a Register of Substantial Shareholders, a Register of Holders of Debentures of the Company, a Register of Mortgages and Charges, a Register of Directors' and Chief Executive Officers' Share and Debenture Holdings, and other Registers as Keeping of Registers, etc.

required by the Statutes and the production and furnishing of copies of such Registers.

(C) The Directors shall cause minutes to be duly made and entered in books provided for such purpose: Requirement to make minutes

- (a) of all appointments of officers to be engaged in the management of the Company's affairs;
- (b) of the names of the Directors present at all meetings of the Company, of the Directors and of any committee of Directors; and
- (c) of all resolutions and proceedings at all meetings of the Company, of any class of Members, of the Directors and of any committee of Directors, and of its Chief Executive Officers (if any).

Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting, and such minutes shall be conclusive evidence without any further proof of the facts stated therein.

(D) Any register, index, minute book, accounting record, minute or other book required to be kept by the Company under the Statutes may, subject to and in accordance with the Act, be kept either in hard copy or in electronic form, and arranged in the manner that the Directors think fit. If such records are kept in electronic form, the Directors shall ensure that they are capable of being reproduced in hard copy form, and shall provide for the manner in which the records are to be authenticated and verified. In any case where such records are kept otherwise than in hard copy form, the Directors shall take reasonable precautions for ensuring the proper maintenance and authenticity of such records, guarding against falsification and facilitating the discovery of any falsifications. The Company shall cause true English translations of all financial statements, minute books or other records required to be kept by the Company under the Statutes which are not kept in English to be made from time to time at intervals of not more than seven days, and shall keep the translations with the originals for so long as the originals are required under the Statutes to be kept. The Company shall also keep at the Office certified English translations of all instruments, certificates, contracts or documents not written in English which the Company is required under the Statutes to make available for public inspection. Keeping of statutory records

SECRETARY

115. The Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company. If thought fit two or more persons may be appointed as Joint Secretaries. The Directors may also appoint from time to time on such terms as they may think fit one or more Assistant Secretaries or Deputy Secretaries. The appointment and duties of the Secretary, Joint Secretaries, Assistant Secretaries or Deputy Secretaries shall not conflict with the provisions of the Act and in particular Section 171 of the Act.
- Company secretary

THE SEAL

116. Where the Company has a Seal, the Directors shall provide for the safe custody of the Seal which shall not be without the authority of the Directors or of a committee authorised by the Directors in that behalf.
- Seal
117. Every instrument to which the Seal shall be affixed shall be signed autographically by one Director and the Secretary or by a second Director or some other person appointed by the Directors save that as regards any certificates for shares or debentures or other securities of the Company the Directors may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature or other method approved by the Directors.
- Affixing seal
118. (A) Where the Company has a Seal, the Company may exercise the powers conferred by the Statutes with regard to having an official seal for use abroad and such powers shall be vested in the Directors.
- Official seal
- (B) Where the Company has a Seal, the Company may exercise the powers conferred by the Statutes with regard to having a duplicate Seal as referred to in Section 124 of the Act which shall be a facsimile of the Seal with the addition on its face of the words "Share Seal".
- Share seal

AUTHENTICATION OF DOCUMENTS

119. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the Constitution of the Company and any resolutions passed by the Company or the Directors or any committee, and any books, records, documents, accounts and financial statements relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or
- Power to authenticate documents

extracts; and where any books, records, documents, accounts or financial statements are elsewhere than at the Office the local manager or other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the Directors or any committee which is certified as aforesaid shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed, or as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting. Any authentication or certification made pursuant to this Regulation 119 may be made by any electronic means approved by the Directors for such purpose from time to time incorporating, if the Directors deem necessary, the use of security and/or identification procedures and devices approved by the Directors.

RESERVES

120. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions (if any) of the Statutes.
- Reserves

DIVIDENDS

121. The Company may by ordinary resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.
- Declaration of dividends
122. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such period as they think fit.
- Interim dividends
123. Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted under the Act:
- Apportionment of dividends

- (a) all dividends in respect of shares must be paid in proportion to the number of shares held by a Member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and
- (b) all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid.

For the purposes of this Regulation 123, an amount paid or credited as paid on a share in advance of a call is to be ignored.

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| 124. | No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes. | Dividends payable out of profits |
| 125. | No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company. | No interest on dividends |
| 126. | (A) The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. | Retention of dividends on shares subject to lien |
| | (B) The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member, or which any person is under those provisions entitled to transfer, until such person shall become a Member in respect of such shares or shall transfer the same. | Retention of dividends pending transmission |
| 127. | The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the Member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company. | Waiver of dividends |
| 128. | The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends and other moneys payable on or in respect of a share that are unclaimed after first becoming payable may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend or any such moneys unclaimed after a period of six years from the date they are first payable may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such | Unclaimed dividends or other moneys |

forfeiture and pay the moneys so forfeited to the person entitled thereto prior to the forfeiture. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six years has elapsed from the date such dividend or other moneys are first payable.

129. The Company may upon the recommendation of the Directors by ordinary resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors. Payment of dividend in specie
130. (A) Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on shares of a particular class in the capital of the Company, the Directors may further resolve that members entitled to such dividend be entitled to elect to receive an allotment of shares of that class credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply: Scrip dividend scheme
- (a) the basis of any such allotment shall be determined by the Directors;
 - (b) the Directors shall determine the manner in which members shall be entitled to elect to receive an allotment of shares of the relevant class credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to members, providing for forms of election for completion by members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Regulation 130;

- (c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded, Provided always that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and
- (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on the shares of the relevant class in respect whereof the share election has been duly exercised (the "elected shares") and, in lieu and in satisfaction thereof, shares of the relevant class shall be allotted and credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid. For such purpose and notwithstanding the provisions of Regulation 134, the Directors shall (i) capitalise and apply out of the amount standing to the credit of any of the Company's reserve accounts or any amount standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of shares for allotment and distribution to and among the holders of the elected shares on such basis, or (ii) apply the sum which would otherwise have been payable in cash to the holders of the elected shares towards payment of the appropriate number of shares of the relevant class for allotment and distribution to and among the holders of the elected shares on such basis.

(B) The shares of the relevant class allotted pursuant to the provisions of Regulation 130(A) shall rank *pari passu* in all respects with the shares of that class then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.

Ranking of shares

(C) The Directors may, on any occasion when they resolve as provided in regulation 130(A), determine that rights of election under that regulation shall not be made available to the persons who are registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of shares, the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit, and in such event the provisions of Regulation 130 shall be read and construed subject to such determination.

Record date

- (D) The Directors may, on any occasion when they resolve as provided in Regulation 130(A), further determine that no allotment of shares or rights of election for shares under Regulation 130(A) shall be made available or made to members whose registered addresses entered in the Register of Members or (as the case may be) the Depository Register is outside Singapore or to such other members or class of members as the Directors may in their sole discretion decide and in such event the only entitlement of the members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared. Eligibility
- (E) Notwithstanding the foregoing provisions of this regulation, if at any time after the Directors' resolution to apply the provisions of regulation 130(A) in relation to any dividend but prior to the allotment of shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their discretion and as they deem fit in the interest of the Company and without assigning any reason therefor, cancel the proposed application of regulation 130(A). Disapplication
- (F) The Directors may do all acts and things considered necessary or expedient to give effect to the provisions of regulation 130(A), with full power to make such provisions as they think fit in the case of shares of the relevant class becoming distributable in fractions (including, notwithstanding any provision to the contrary in these Regulations, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down). Fractional entitlements
131. Notwithstanding the provisions of Regulation 133, the payment by the Company to the Depository of any dividend payable to a Depositor shall, to the extent of the payment made to the Depository, discharge the Company from any liability to the Depositor in respect of that payment. Payment to Depository good discharge
132. If two or more persons are registered in the Register of Members or (as the case may be) the Depository Register as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share. Payment of dividends to joint holders
133. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares in the Register of Members or (as the case may be) the Depository Register at the close of business on a particular date and thereupon the dividend shall Resolution declaring dividends

be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.

BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

134. (A) The Directors may, with the sanction of an ordinary resolution of the Company (including any ordinary resolution passed pursuant to Regulation 8(B)):
- Power to issue free bonus shares and/or to capitalise reserves
- (a) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:
 - (i) the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or
 - (ii) (in the case of an ordinary resolution passed pursuant to Regulation 8(B)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares; and/or
 - (b) capitalise any sum standing to the credit of any of the Company's reserve accounts or other undistributable reserve or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:
 - (i) the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or
 - (ii) (in the case of an ordinary resolution passed pursuant to Regulation 8(B)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full new shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, new shares of any other class not being

redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.

(B) The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue and/or capitalisation under Regulation 134(A), with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for any such bonus issue or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

Power of Directors to give effect to bonus issues and capitalisations

135. In addition and without prejudice to the powers provided for by Regulation 134, the Directors shall have power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full new shares, in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by Members in General Meeting and on such terms as the Directors shall think fit or be held by or for the benefit of non-executive Directors as part of their remuneration under Regulation 79 and/or Regulation 80(A) approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit.

Power to issue free shares and/or to capitalise reserves for employee share-based incentive plans

The Directors may do all such acts and things considered necessary or expedient to give effect to any of the foregoing.

FINANCIAL STATEMENTS

136. (A) The Directors shall cause to be kept such accounting and other records as are necessary to comply with the provisions of the Statutes, and shall cause those records to be kept in such manner as to enable them to be conveniently and properly audited.

Financial statements to be kept

(B) Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the Office, or at such other place as the Directors

Accounting records

think fit. No Member of the Company or other person shall have any right of inspecting any account or book or document of the Company except as conferred by statute or ordered by a court of competent jurisdiction or authorised by the Directors.

137. In accordance with the provisions of the Act, the Directors shall cause to be prepared and to be laid before the Company in General Meeting such financial statements, group accounts (if any), balance sheets, statements, reports and other documents as may be necessary. The interval between the close of a financial year of the Company and the date of the Company' Annual General Meeting shall not exceed four months (or such other period as may be permitted by the Act). Presentation of financial statements
138. A copy of every financial statement and, if required, the balance sheet (including every document required by law to be comprised therein or attached or annexed thereto), which is duly audited and which is laid before a General Meeting of the Company accompanied by a copy of the Auditor's report thereon, shall not less than 14 days before the date of the meeting be sent to every Member of, and every holder of debentures of, the Company and to every other person who is entitled to receive notices of General Meetings under the provisions of the Statutes or of these Regulations; Provided Always that and subject to the listing rules of the Stock Exchange (a) these documents may be sent less than 14 days before the date of the General Meeting if all persons entitled to receive notices of General Meetings from the Company so agree; and (b) this Regulation 138 shall not require a copy of these documents to be sent to more than one or any joint holders or to any person of whose address the Company is not aware or the several persons entitled thereto in consequence of the death or bankruptcy of the holder or otherwise, but any Member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office. Copies of financial statements

AUDITORS

139. Subject to the provisions of the Statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment or subsequently became disqualified. Validity of acts of Auditors
140. An Auditor shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting which any Member is entitled to receive and to be heard at any General Meeting on any part of the business of the meeting which concerns him as Auditor. Auditors entitled to attend general meetings

NOTICES

141. (A) Any notice or document (including a share certificate) may be served on or delivered to any Member by the Company either personally or by sending it through the post in a prepaid cover addressed to such Member at his registered address appearing in the Register of Members or (as the case may be) the Depository Register, or (if he has no registered address within Singapore) to the address, if any, within Singapore supplied by him to the Company or (as the case may be) supplied by him to the Depository as his address for the service of notices, or by delivering it to such address as aforesaid. Where a notice or other document is served or sent by post, service or delivery shall be deemed to be effected at the time when the cover containing the same is posted and in proving such service or delivery it shall be sufficient to prove that such cover was properly addressed, stamped and posted. Service of notices
- (B) Without prejudice to the provisions of Regulation 141(A), but subject otherwise to any applicable laws relating to electronic communications, including, *inter alia*, the Act and any regulations made thereunder and where applicable, the listing rules of the Stock Exchange, any notice or document (including, without limitations, any accounts, balance sheets, financial statements or reports) which is required or permitted to be given, sent or served under the Act or under these Regulations by the Company, or by the Directors, to a Member or an officer or Auditor of the Company may be given, sent or served using electronic communications: Electronic communications
- (a) to the current address of that person (which may be an email address);
 - (b) by making it available on a website prescribed by the Company from time to time;

- (c) in such manner as such Member expressly consents to receiving notices and documents by giving notice in writing to the Company, in accordance with the provisions of, or as otherwise provided by, the Statutes and/or any other applicable regulations or procedures.

(C) For the purposes of Regulation 141(B) above, subject to any applicable laws relating to electronic communications, including, *inter alia*, the Act and the listing rules of the Stock Exchange, a Member shall be implied to have agreed to receive such notice or document by way of such electronic communications and shall not have a right to elect to receive a physical copy of such notice or document.

Implied consent

(D) Notwithstanding Regulation 141(C) above and subject to any applicable laws relating to electronic communications, including, *inter alia*, the Act and the listing rules of the Stock Exchange, the Directors may, at their discretion, at any time give a Member an opportunity to elect within a specified period of time whether to receive such notice or document by way of electronic communications or as a physical copy, and such Member shall be deemed to have consented to receive such notice or document by way of electronic communications if he was given such an opportunity and he failed to make an election within the specified time, and he shall not in such an event have a right to receive a physical copy of such notice or document.

Deemed consent

(E) Where a notice or document is given, sent or served by electronic communications:

- (a) to the current address of a person pursuant to Regulation 141(B)(a), it shall be deemed to have been duly given, sent or served at the time of transmission of the electronic communication by the email server or facility operated by the Company or its service provider to the current address of such person (notwithstanding any delayed receipt, non-delivery or "returned mail" reply message or any other error message indicating that the electronic communication was delayed or not successfully sent), unless otherwise provided under applicable laws; or
- (b) by making it available on a website pursuant to Regulation 141(B)(b), it shall be deemed to have been duly given, sent or served on the date on which the notice or document is first made available on the website, or unless otherwise provided under applicable laws.

When notice by electronic communication is deemed served

Notice to be given of service on website

(F) When a given number of days' notice or notice extending over any other period is required to be given the day of service shall,

unless it is otherwise provided or required by these Regulations or by the Act, be not counted in such number of days or period.

(G) Where a notice or document is given, sent or served to a Member by making it available on a website pursuant to Regulation 141(E)(b), the Company shall give separate notice to the Member of the publication of the notice or document on that website and the manner in which the notice or document may be accessed by any one or more of the following means:

- (a) by sending such separate notice to the Member personally or through the post pursuant to Regulation 141(A);
- (b) by sending such separate notice to the Member using electronic communications to his current address pursuant to Regulation 141(B)(a);
- (c) by way of advertisement in the daily press; and/or

by way of announcement on the Stock Exchange.

142. Any notice given to that one of the joint holders of a share whose name stands first in the Register of Members or (as the case may be) the Depository Register in respect of the share shall be sufficient notice to all the joint holders in their capacity as such. For such purpose a joint holder having no registered address in Singapore and not having supplied an address within Singapore for the service of notices shall be disregarded. Service of notices in respect of joint holders
143. A person entitled to a share in consequence of the death or bankruptcy of a Member upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also to the Company or (as the case may be) the Depository an address within Singapore for the service of notices, shall be entitled to have served upon or delivered to him at such address any notice or document to which the Member but before his death or bankruptcy would have been entitled, and such service or delivery shall for all purposes be deemed a sufficient service or delivery of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the address of any Member or given, sent or served to any Member using electronic communications in pursuance of these Regulations shall, notwithstanding that such Member be then dead or bankrupt or in liquidation, and whether or not the Company shall have notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any share registered in the name of such member in the Register of Members or, where such Member is a Depositor, entered Service of notice after death, bankruptcy, etc.

against his name in the Depository Register as sole or first-named joint holder.

144. A Member who (having no registered address within Singapore) has not supplied to the Company or (as the case may be) the Depository an address within Singapore for the service of notices shall not be entitled to receive notices or other documents from the Company.
- No notice to Members with no registered address in Singapore

WINDING UP

145. The Directors shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.
- Power to present winding up petition
146. (A) If the Company shall be wound up (whether the liquidation in voluntary, under supervision, or by the court) the Liquidator may, with the authority of a special resolution, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the Members of different classes of Members. The Liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Members as the Liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.
- Distribution of assets in specie
- (B) If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid-up, at the commencement of the winding up, on the shares in respect which they are Members respectively. If in a winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up paid-up on the shares in respect which they are Members respectively. This Regulation is to be without prejudice to the rights of the holders or Depositors of shares issued upon special terms and conditions.
- Distribution of assets in winding up
147. In the event of a winding up of the Company every Member of the Company who is not for the time being in the Republic of Singapore shall be bound, within 14 days after the passing
- Member outside Singapore

of an effective resolution to wind up the Company voluntarily, or within the like period after the making of an order for the winding up of the Company, to serve notice in writing on the Company appointing some householder in the Republic of Singapore upon whom all summonses, notices, processes, orders and judgments in relation to or under the winding up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such Member to appoint some such person, and service upon any such appointee shall be deemed to be a good personal service on such Member for all purposes, and where the liquidator makes any such appointment he shall, with all convenient speed, give notice thereof to such Member by advertisement in any leading daily newspaper in the English language in circulation in Singapore or by a registered letter sent through the post and addressed to such Member at his address as appearing in the Register of Members or (as the case may be) the Depository Register, and such notice shall be deemed to be served on the day following that on which the advertisement appears or the letter is posted.

INDEMNITY

- | | | |
|------|---|-------------------------------------|
| 148. | Subject to such exclusions as the Directors may from time to time determine and subject to the provisions of and so far as may be permitted by the Statutes:- | Indemnity of Directors and officers |
| | (a) every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against any liability incurred by the Director or other officer in or about the execution of the duties of his office or otherwise in relation thereto, and no such Directors or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto unless the same shall happen through his own negligence, wilful default, breach of duty or breach of trust; | |
| | (b) the Company may provide any such Director or officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application in relation to any liabilities mentioned in paragraph (a) and otherwise may take any action to enable him to avoid incurring such expenditure. Such a loan will be subject to specified terms, namely that the loan must be repaid to the company/or any liability of the company must be discharged if in the event that the director is convicted in the proceedings, or | |

judgement is given against him in the proceedings or the Court refuses to grant the director relief; and

- (c) the Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Director or other officer of the Company and its subsidiaries (if any) in respect of any liabilities mentioned in paragraph (a) above.

This Regulation 148 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

SECRECY

149. No Member shall be entitled to require discovery of or any information respecting any detail of the Company's trade or any matter which may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the Members of the Company to communicate to the public save as may be authorised by law or required by the listing rules of the Stock Exchange. Secrecy

PERSONAL DATA OF MEMBERS

150. (A) A Member who is a natural person is deemed to have consented to the collection, use and disclosure of his personal data (whether such personal data is provided by that Member or is collected through a third party) by the Company (or its agents or service providers) from time to time for any of the following purposes: Deemed consent for collection, use and disclosure of personal data
- (a) implementation and administration of any corporate action by the Company (or its agents or service providers);
 - (b) internal analysis and/or market research by the Company (or its agents or service providers);
 - (c) investor relations communications by the Company (or its agents or service providers);

- (d) administration by the Company (or its agents or service providers) of that Member's holding of shares in the capital of the Company;
- (e) implementation and administration of any service provided by the Company (or its agents or service providers) to its Members to receive notices of meetings, annual reports and other Member communications and/or for proxy appointment, whether by electronic means or otherwise;
- (f) processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for any General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to any General Meeting (including any adjournment thereof);
- (g) implementation and administration of, and compliance with, any provision of these Regulations;
- (h) compliance with any applicable laws, listing rules, take-over rules, regulations and/or guidelines; and
- (i) purposes which are reasonably related to any of the above purpose.

(B) Any Member who appoints a proxy and/or representative for any General Meeting and/or any adjournment thereof is deemed to have warranted that where such Member discloses the personal data of such proxy and/or representative to the Company (or its agents or service providers), that Member has obtained the prior consent of such proxy and/or representative for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy and/or representative for the purposes specified in Regulation 150(A)(f), and is deemed to have agreed to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of such Member's breach of warranty.

Personal data of proxies and/or representatives

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Constitution, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:

NAME, ADDRESS AND DESCRIPTION OF SUBSCRIBER(S)	Number and Type of Share(s) taken by the Subscriber(s)
<p>KLEINE STAARMAN GERHARD HEINRICH JOSEPH 155 MOUNT PLEASANT ROAD SINGAPORE 298343</p> <p>DIRECTOR</p> <p>Dated this</p> <p>Witness to the above signature(s):-</p> <p>RAGINI DHANVANTRAY 299 BEDOK SOUTH AVENUE 3 BEDOK COURT #01-15 SINGAPORE 469298</p>	<p>X 900 *NINE HUNDRED*</p> <p>X</p>
Total number of share(s) taken:	900

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Constitution, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names:

NAME, ADDRESS AND DESCRIPTION OF SUBSCRIBER(S)	Number and Type of Share(s) taken by the Subscriber(s)
<p>TAN ENG HWEE 6 PARI DEDAP WALK TANAMERA CREST #14-06 SINGAPORE 486060</p> <p>DIRECTOR</p> <p>Dated this</p> <p>Witness to the above signature(s):-</p> <p>RAGINI DHANVANTRAY 299 BEDOK SOUTH AVENUE 3 BEDOK COURT #01-15 SINGAPORE 469298</p>	<p>X 100 *ONE HUNDRED*</p> <p>X</p>
<p>Total number of share(s) taken:</p>	<p>1000</p>

Appendix B – Annual Financial Statements for the Company for 2019

Barramundi Asia Pte. Ltd.
and its Subsidiary Corporations
(Incorporated in the Republic of Singapore)
(Company Registration No. 200722778K)

**Annual Report for the Financial Year Ended
31 December 2019**

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Barramundi Asia Pte. Ltd. and its subsidiary corporations (the "Group") for the financial year ended 31 December 2019 and the balance sheet of the Company as at 31 December 2019.

In the opinion of the directors,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 8 to 68 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2019 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Andrew Kwan Kok Tiong
 Johannes Cornelis Antonius Den Bieman
 Sjoeborg Tristan Nenne
 Goh Kay Yong David
 Edward Averrill Ng Yong Sheng
 Kleine Staarman Gerhard Heinrich Joseph
 Tan Poh Hong
 Dr Abdul Manaf Metussin
 Peter Chia Leong Bin @ Peter Xie Longmin

Arrangements to enable director to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the director of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share options" in this statement.

Directors' interests in shares or debentures

- (a) According to the register of director's shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in the name of director or nominee		Holdings in which a director is deemed to have an interest	
	At 31.12.2019	At 01.01.2019	At 31.12.2019	At 01.01.2019
The Company				
<u>(No. of ordinary shares)</u>				
Johannes Cornelis Antonius Den Bieman	4,077,312	4,164,471	-	-
Kleine Staarman Gerhard Heinrich Joseph	3,299,940	3,392,346	-	-
Sjoeborg Tristan Nenne	3,663,103	4,037,432	-	-
Andrew Kwan Kok Tiong	-	-	106,446,420	102,587,837

Directors' interests in shares or debentures (continued)

- (a) According to the register of director's shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows: (continued)

	Holdings registered in the name of director or nominee		Holdings in which a director is deemed to have an interest	
	At 31.12.2019	At 01.01.2019	At 31.12.2019	At 01.01.2019
<u>(No. of preference shares)</u>				
Andrew Kwan Kok Tiong	-	-	-	1
<u>(No. of warrants)</u>				
Sjoberg Tristan Nenne	727,273	727,273	-	-
Andrew Kwan Kok Tiong	-	-	21,204,871	21,204,871
Johannes Cornelis Antonius Den Bieman	1,636,634	1,636,634	-	-
Immediate holding corporation: Barramundi Asia Holdings Pte. Ltd.				
<u>(No. of ordinary shares)</u>				
Johannes Cornelis Antonius Den Bieman	1,169,732	1,169,732	-	-
Andrew Kwan Kok Tiong	-	-	60,143,745	60,143,745
Sjoberg Tristan Nenne	185,972	185,972	-	-
Ultimate holding corporation: Commonwealth Harvests Pte. Ltd.				
<u>(No. of ordinary shares)</u>				
Johannes Cornelis Antonius Den Bieman	20,807	20,807	-	-
Andrew Kwan Kok Tiong	187,799	187,799	-	-
Sjoberg Tristan Nenne	7,843	7,843	-	-

- (b) According to the register of director's shareholdings, certain directors holding office at the end of the financial year had interests in options to subscribe for ordinary shares of the Company granted pursuant to the Employee Share Option Scheme and Perpetual Call Option as set out below and under "Share Options" below.

	No. of unissued ordinary shares under option	
	At 31.12.2019	At 01.01.2019
Employee Share Option Scheme		
Kleine Staarman Gerhard Heinrich Joseph	2,500,000	2,500,000
Johannes Cornelis Antonius Den Bieman	1,000,000	-
Perpetual Call Option		
Kleine Staarman Gerhard Heinrich Joseph	7,000,000	7,000,000

Share options

(a) Employee Share Option Scheme ("Scheme")

The Employee Share Option Scheme was approved by the Board through a Directors' Resolution passed on 1 January 2017, providing a means to give recognition to employees who have contributed to the success and continued well-being of the Company and let them have a direct interest in the Company at no direct cost to its profitability. The Scheme shall continue in effect for a term of 6 years unless amended, altered, suspended or terminated by the Board of Directors.

Under the Scheme, options to subscribe for the ordinary shares of the Company are granted to employees at the sole discretion of the Board of Directors. The exercise price of the option is determined at the time of the grant with reference to its fair market value under the conditions of the Scheme and approved by the Board of Directors. The option may be exercised in full or in part in respect thereof, on the Company's acceptance of the exercise notice, payment of the exercise price and in accordance with the vesting schedule under the conditions of the Scheme, but no later than the expiry date. The vesting of the option commences on the 3rd anniversary and expires on the 6th anniversary of the date of the option, or such date as the Board of Directors may determine.

(b) Perpetual Call Option

On 1 January 2017, the Company has agreed to grant Kleine Staarman Gerhard Heinrich Joseph the option to purchase all or any of the 7,000,000 ordinary shares of the Company. This option is a one-off issue outside the Employee Share Option Scheme and may be exercised at any time without an expiry date.

(c) Share options outstanding

The number of unissued ordinary shares of the Company under option in relation to the Schemes outstanding at the end of the financial year was as follows:

Year option granted	Exercise price per share (\$)	Options outstanding at 1 January 2019	Options vested during the year	Options forfeited during the year	Options outstanding at 31 December 2019	Year of expiry
Employee Share Option Scheme						
2017	0.39	6,200,000	-	(700,000)	5,500,000	2022
2019	0.50	3,800,000	-	(1,000,000)	2,800,000	2024
Perpetual Call Option						
2017	0.28	7,000,000	-	-	7,000,000	-

Independent auditor

The independent auditor, Nexia TS Public Accounting Corporation, has expressed its willingness to accept reappointment.

On behalf of the Board of Directors

Tristan Sjoeberg
.....
Sjoeberg Tristan Nenne
Director

.....
Andrew Kwan Kok Tiong
Director

5 March 2021

**Independent Auditor's Report to the Members of
Barramundi Asia Pte. Ltd.**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Barramundi Asia Pte. Ltd. (the "Company") and its subsidiary corporations (the "Group"), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2019, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 8 to 68.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2019 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The consolidated financial statements of the Group for the financial year ended 31 December 2018 and the balance sheet of the Company as at 31 December 2018 were audited by another independent auditor who expressed an unmodified opinion on those statements on 13 November 2020.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 4.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Independent Auditor's Report to the Members of
Barramundi Asia Pte. Ltd.**
(continued)

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. 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.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude 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 Group'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 the Group to cease to continue as a going concern.

**Independent Auditor's Report to the Members of
Barramundi Asia Pte. Ltd.**
(continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.



**Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants**

**Singapore
5 March 2021**

	Note	2019 \$	Restated 2018 \$
Revenue	4	23,052,340	14,817,706
Other income	5	2,203,651	1,526,177
Raw materials and consumables		(23,330,331)	(16,503,953)
Farm personnel expenses		(6,094,678)	(3,604,406)
Fair value loss on biological assets	13	(5,821,909)	(565,570)
Fish mortalities		(7,670,729)	(561,605)
Depreciation expenses		(2,831,079)	(1,445,702)
Amortisation expenses		(306,591)	(228,678)
Impairment loss of plant and equipment		(1,030,658)	-
Administrative expenses		(7,939,550)	(5,935,279)
Distribution expenses		(818,121)	(545,279)
Finance expenses	8	(1,654,623)	(1,019,937)
Loss before tax		(32,242,278)	(14,066,526)
Income tax credit	9	1,128,231	3,033,212
Net loss for the financial year		<u>(31,114,047)</u>	<u>(11,033,314)</u>
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss:			
- Currency translation gain/(loss) on translating foreign operations		118,519	(381,716)
Total comprehensive loss for the financial year		<u><u>(30,995,528)</u></u>	<u><u>(11,415,030)</u></u>

The accompanying notes form an integral part of these financial statements.

	Note	31 Dec 2019 \$	Group 31 Dec 2018 \$	1 Jan 2018 \$
ASSETS				
Current assets				
Cash and cash equivalents	10	27,176,419	6,498,167	5,669,110
Trade and other receivables	11	4,234,860	7,954,683	1,484,008
Inventories	12	716,786	1,691,424	498,311
Biological assets	13	16,557,399	30,439,665	8,305,390
		48,685,464	46,583,939	15,956,819
Non-current assets				
Plant and equipment	15	16,354,008	13,841,073	5,604,055
Intangible assets	17	6,145,431	6,452,022	15,300
Biological assets	13	104,456	191,602	-
Other assets		-	85,862	-
Deferred income tax assets	22	2,023,137	1,629,490	-
		24,627,032	22,200,049	5,619,355
Total assets		73,312,496	68,783,988	21,576,174
LIABILITIES				
Current liabilities				
Trade and other payables	18	6,463,210	7,931,529	1,201,770
Employee benefits		400,471	386,863	-
Borrowings	19	15,996,335	10,224,601	7,218,250
Deferred capital grants	20	127,925	127,999	127,999
		22,987,941	18,670,992	8,548,019
Non-current liabilities				
Employee benefits		128,776	32,549	-
Borrowings	19	7,860,652	14,881,164	11,132
Deferred capital grants	20	309,112	333,003	564,961
Provision for reinstatement	21	55,980	50,433	55,980
Deferred income tax liabilities	22	3,175,153	3,921,574	-
		11,529,673	19,218,723	632,073
Total liabilities		34,517,614	37,889,715	9,180,092
Net assets		38,794,882	30,894,273	12,396,082
EQUITY				
Share capital	23	105,259,252	66,653,500	38,571,522
Other reserves	24	4,735,231	4,326,327	2,876,800
Accumulated losses		(71,199,601)	(40,085,554)	(29,052,240)
Total equity		38,794,882	30,894,273	12,396,082

The accompanying notes form an integral part of these financial statements.

	Note	31 Dec 2019 \$	Company 31 Dec 2018 \$	1 Jan 2018 \$
ASSETS				
Current assets				
Cash and cash equivalents	10	9,001,140	6,405,039	5,659,389
Trade and other receivables	11	29,152,368	3,681,890	1,651,935
Inventories	12	314,140	416,273	498,311
Biological assets	13	4,988,846	11,888,906	8,305,390
		43,456,494	22,392,108	16,115,025
Non-current assets				
Investments in subsidiary corporations	14	19,820,723	19,819,724	50,000
Plant and equipment	15	8,296,718	7,102,867	4,987,557
Intangible assets	17	15,300	15,300	15,300
Trade and other receivables	11	7,514,069	6,833,280	-
		35,646,810	33,771,171	5,052,857
Total assets		79,103,304	56,163,279	21,167,882
LIABILITIES				
Current liabilities				
Trade and other payables	18	1,774,913	1,830,926	1,176,893
Borrowings	19	13,516,678	7,460,882	7,218,250
Deferred capital grants	20	75,290	75,290	75,290
		15,366,881	9,367,098	8,470,433
Non-current liabilities				
Borrowings	19	102,242	8,370,000	11,132
Deferred capital grants	20	110,586	185,875	261,165
		212,828	8,555,875	272,297
Total liabilities		15,579,709	17,922,973	8,742,730
Net assets		63,523,595	38,240,306	12,425,152
EQUITY				
Share capital	23	105,259,252	66,653,500	38,571,522
Other reserves	24	4,998,428	4,708,043	2,876,800
Accumulated losses		(46,734,085)	(33,121,237)	(29,023,170)
Total equity		63,523,595	38,240,306	12,425,152

The accompanying notes form an integral part of these financial statements.

	Attributable to equity holders of the Group				
	Note	Share capital \$	Other reserves \$	Accumulated losses \$	Total equity \$
2019					
Beginning of financial year		66,653,500	4,326,327	(40,085,554)	30,894,273
Total comprehensive loss for the year		-	-	(31,114,047)	(31,114,047)
Transactions with owners, recognised directly in equity:					
Issuance of new shares		38,605,752	-	-	38,605,752
Employee share option scheme		-	290,385	-	290,385
Foreign currency translation differences		-	118,519	-	118,519
		<u>38,605,752</u>	<u>408,904</u>	<u>-</u>	<u>39,014,656</u>
End of financial year		<u>105,259,252</u>	<u>4,735,231</u>	<u>(71,199,601)</u>	<u>38,794,882</u>
2018					
Beginning of financial year		38,571,522	2,876,800	(29,052,240)	12,396,082
Total comprehensive loss for the year		-	-	(11,033,314)	(11,033,314)
Transactions with owners, recognised directly in equity:					
Issuance of new shares		28,081,978	-	-	28,081,978
Issuance of warrants		-	1,570,480	-	1,570,480
Employee share option scheme		-	260,763	-	260,763
Foreign currency translation differences		-	(381,716)	-	(381,716)
		<u>28,081,978</u>	<u>1,449,527</u>	<u>-</u>	<u>29,531,505</u>
End of financial year		<u>66,653,500</u>	<u>4,326,327</u>	<u>(40,085,554)</u>	<u>30,894,273</u>

The accompanying notes form an integral part of these financial statements.

	2019	Restated 2018
	\$	\$
Cash flows from operating activities		
Loss before tax	(32,242,278)	(14,066,526)
Adjustments for:		
- Fair value adjustment on biological assets	5,821,909	565,570
- Amortisation of government grant	(127,999)	(231,958)
- Depreciation of plant and equipment and right-of-use assets	2,831,079	1,445,702
- Impairment of plant and equipment	1,030,658	-
- Plant and equipment written-off	68,917	-
- Amortisation of intangible assets	306,591	228,678
- Employee share option expenses	290,385	260,763
- Interest expense	1,654,623	1,019,937
- Interest income	(254,795)	(521,541)
- Provision for employee benefits	129,672	55,527
	<u>(20,491,238)</u>	<u>(11,243,848)</u>
Changes in working capital:		
- Biological assets	7,584,837	(765,060)
- Inventories	974,638	551,813
- Trade and other receivables	3,617,637	(3,228,333)
- Trade and other payables	<u>(1,332,553)</u>	<u>(335,369)</u>
Cash used in operations	<u>(9,646,679)</u>	<u>(15,020,797)</u>
Income tax paid	-	(43,940)
Net cash used in operating activities	<u>(9,646,679)</u>	<u>(15,064,737)</u>
Cash flows from investing activities		
Acquisition of a subsidiary, net of cash acquired	-	(17,936,520)
Additions to property, plant and equipment	(2,901,513)	(3,589,557)
Interest income received	254,795	521,541
Net cash used in investing activities	<u>(2,646,718)</u>	<u>(21,004,536)</u>

The accompanying notes form an integral part of these financial statements.

	2019 \$	Restated 2018 \$
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	38,605,752	28,081,978
Proceeds from issuance of warrants	-	1,570,480
Proceeds from/(repayment of) borrowings	(3,015,686)	8,139,652
Repayment of finance lease liabilities	-	(562,949)
Principal payment of lease liability	(1,616,556)	-
Increase in fixed deposit pledged	(66,366)	(63,534)
Interest paid	(1,582,548)	(1,019,937)
Net cash provided by financing activities	<u>32,324,596</u>	<u>36,145,690</u>
Net increase in cash and cash equivalents	20,031,199	76,417
Cash and cash equivalents		
Beginning of the financial year	1,432,003	689,106
Effects of currency translation on cash and cash equivalents	580,687	666,480
End of the financial year	<u>22,043,889</u>	<u>1,432,003</u>

Reconciliation of liabilities arising from financing activities

	31 December 2018 \$	Initial adoption of SFRS(I) 16 \$	1 January 2019 \$	Financing cash flows ¹ \$	Non-cash changes		31 December 2019 \$
					Addition during the year \$	Foreign exchange movement \$	
Loans and borrowings	25,105,765	(3,057,538)	22,048,227	(3,015,686)	1,586,410	(237,027)	20,381,924
Lease liabilities	-	4,874,720	4,874,720	(1,616,556)	370,279	(153,380)	3,475,063

	1 January 2018 \$	Financing cash flows ¹ \$	Non-cash changes		31 December 2018 \$
			Changes arising from acquisition of subsidiary \$	Foreign exchange movement \$	
Loans and borrowings	7,229,382	7,576,703	10,458,348	(158,668)	25,105,765

¹ The cash flows comprise the net amount of proceeds from borrowings and repayments of borrowings in the consolidated statement of cash flows.

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Barramundi Asia Pte. Ltd. (“the Company”) is incorporated and domiciled in Singapore. The address of its registered office is 35 Fishery Port Road, 116 New Fish Merchant Building, Singapore 619742.

The principal activities of the Company are those of commercial farming, distribution and sale of sea water barramundi. The principal activities of the subsidiary corporations are disclosed in Note 14.

The Company’s immediate holding corporation is Barramundi Asia Holdings Pte. Ltd., incorporated in Singapore. The ultimate holding corporation is Commonwealth Harvests Pte. Ltd., incorporated in Singapore.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) under the historical cost convention, except as disclosed in the accounting policies below. SFRS(I)s comprise Standards and Interpretations that are equivalent to international Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB).

The preparation of these financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements are disclosed in Note 3.

The financial statements have been prepared on a going concern basis which contemplates that the Group will be able to pay its debts as and when they fall due and payable and realise its assets and extinguish its liabilities in the ordinary course of business and at the amounts included the financial statements.

During the financial year ended 31 December 2019, the Group recorded a net loss before tax for the year of \$32,242,278 (31 December 2018: \$14,066,526) and net cash used in operating activities of \$9,646,679 (31 December 2018: \$15,064,737). The Group’s financial results were adversely impacted by biological asset losses of approximately \$8.6 million (AUD\$9.1 million) due to the outbreak of an algae bloom during the financial year. These events and conditions indicate the existence of material uncertainties that may cast significant doubt on the Group’s ability to continue as a going concern.

Notwithstanding the above, in ensuring sufficient and adequacy of funds to meet its debt obligations and working capital, management has been considering or in the process of putting in place several measures, one of which is that the Company had in February 2021 successfully fundraised approximately \$12.5 million (Note 32) by way of convertible loans. Management has prepared and presented a 12 months cash flow forecast to the Board of Directors which demonstrates that the Group will have sufficient funds available to continue as a going concern for at least the next 12 months.

Accordingly, the directors believe the use of going concern assumption in preparing these financial statements is appropriate.

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

Adoption of SFRS(I)

The Group has voluntarily elected to adopt SFRS(I) on 1 January 2019. The financial statements for the financial year ended 31 January 2019 are the first set of financial statements the Group prepared in accordance with SFRS(I). The Group's previously issued financial statements for periods up to and including the financial year ended 31 December 2018 were prepared in accordance with Singapore Financial Reporting Standards ("FRS").

In adopting SFRS(I) on 1 January 2019, the Company is required to apply all of the specific transition requirements in SFRS(I) 1 First-time Adoption of SFRS(I).

Under SFRS(I) 1, these financial statements are required to be prepared using accounting policies that comply with SFRS(I) effective as at 1 January 2019. The same accounting policies are applied throughout all periods presented in these financial statements, subject to the mandatory exceptions and optional exemptions under SFRS(I) 1.

The adoption of SFRS(I) did not result in substantial changes to accounting policies of the Company and had no material effect on the amounts reported for the current or prior financial years except for the adoption of SFRS(I) 16 Leases. The Group has adopted SFRS(I) 16 retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application (i.e. 1 January 2019) ("cumulative effect method"). The Group has not restated comparatives for the financial year ended 31 December 2018, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the adoption of SFRS(I) 16 are therefore recognised in the opening statement of financial position on 1 January 2019. Accordingly, the comparative financial statements for 31 December 2018 and 1 January 2018 were not restated.

Adoption of SFRS(I) 16 Leases

SFRS(I) 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets when such recognition exemptions are adopted. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. The impact of the adoption of SFRS(I) 16 on the Group's consolidated financial statements is described below.

The date of initial application of SFRS(I) 16 for the Group is 1 January 2019.

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

ii) Interpretations and amendments to published standards effective in 2019 (continued)

Adoption of SFRS(I) 16 Leases (continued)

(a) *When the Group is the lessee*

Prior to the adoption of SFRS(I) 16, non-cancellable operating lease payments were not recognised as liabilities in the statement of financial position. These payments were recognised as rental expenses over the lease term on a straight-line basis.

On initial application of SFRS(I) 16, the Group has elected to apply the following practical expedients:

- (i) For all contracts entered into before 1 January 2019 and that were previously identified as leases under SFRS(I) 1-17 Lease and SFRS(I) INT 4 Determining whether an Arrangement contains a Lease, the Group has not reassessed if such contracts contain leases under SFRS(I) 16; and
- (ii) On a lease-by-lease basis, the Group has:
 - a) applied a single discount rate to a portfolio of leases with reasonably similar characteristics;
 - b) relied on previous assessments on whether leases are onerous as an alternative to performing an impairment review;
 - c) accounted for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases;
 - d) excluded initial direct costs in the measurement of the right-of-use ("ROU") asset at the date of initial application; and
 - e) used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

There were no onerous contracts as at 1 January 2019.

For leases previously classified as operating leases on 1 January 2019, the Group has applied the following transition provisions:

- (i) On a lease-by-lease basis, the Group chose to measure its ROU assets at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of transition.
- (ii) Recognised its lease liabilities by discounting the remaining lease payments as at 1 January 2019 using the incremental borrowing rate for each individual lease or, if applicable, the incremental borrowing rate for each portfolio of leases with reasonably similar characteristics.

For leases previously classified as finance leases, the carrying amount of the leased asset and finance lease liability as at 1 January 2019 are determined as the carrying amount of the ROU assets and lease liabilities.

2.1 Basis of preparation (continued)

ii) Interpretations and amendments to published standards effective in 2019 (continued)

Adoption of SFRS(I) 16 Leases (continued)

(a) When the Group is the lessee (continued)

The effects of adoption of SFRS(I) 16 on the Group's financial statements as at 1 January 2019 are as follows:

	Increase \$
Right-of-use asset	4,874,720
Lease liability	4,874,720

An explanation of the differences between the operating lease commitments previously disclosed in the Group's financial statements as at 31 December 2018 and the lease liabilities recognised in the statement of financial position as at 1 January 2019 are as follows:

	\$
Operating lease commitments disclosed as at 31 December 2018	1,932,415
Add: Finance lease liabilities recognised as at 31 December 2018	3,057,538
Less: Short-term leases and leases of low value assets	(27,928)
Less: Effect of discounting the above amounts	(87,305)
Lease liabilities recognised as at 1 January 2019	<u>4,874,720</u>

(b) When the Group is a lessor

There are no material changes to accounting by the Group as a lessor except when the Group is an intermediate lessor. There is no effect of adoption of SFRS(I) 16 on the Group's financial statements as at 1 January 2019.

2.2 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring promised goods or service to the customer, which is when the customer obtains control of the goods or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

2.2 Revenue recognition (continued)

(a) Sales of goods and services

Revenue from sale of goods and services in the ordinary course of business is recognized at a point in time when the Group satisfied its performance obligation (PO) by transferring the control of the promised goods or services to the customer, which is when the goods are delivered to the destination specified by the customer, typically based on incoterms specified in the contract. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and/or services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

(b) Interest income

Interest income, including income arising from financial instruments, is recognised using the effective interest method.

2.3 Government grant

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are presented in the balance sheet as a deferred income and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

2.4 Group accounting

Subsidiary corporations

(i) Consolidation

Subsidiary corporations are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary corporations are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiary corporations have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 Significant accounting policies (continued)

2.4 Group accounting (continued)

Subsidiary corporations (continued)

(i) *Consolidation* (continued)

Non-controlling interests comprise the portion of a subsidiary corporation's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) *Acquisitions*

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary corporation or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to the paragraph "Intangible assets – Goodwill" for the subsequent accounting policy on goodwill.

(iii) *Disposals*

When a change in the Group's ownership interest in a subsidiary corporation results in a loss of control over the subsidiary corporation, the assets and liabilities of the subsidiary corporation including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiary corporations" for the accounting policy on investments in subsidiary corporations in the separate financial statements of the Company.

2 Significant accounting policies (continued)

2.5 Plant and equipment

(a) Measurement

(i) Plant and equipment

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Components of costs

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Leasehold improvements	5 - 20 years
Plant, equipment and boats	3 - 20 years
Nets, cages and moorings	10 - 40 years
Office and computer equipment	3 - 10 years
Motor vehicles	5 years

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

(c) Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "administrative expenses".

2 Significant accounting policies (continued)

2.6 Intangible assets

(a) Goodwill

Goodwill on acquisitions of subsidiary corporations and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiary corporations is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Gains and losses on the disposal of subsidiary corporations include the carrying amount of goodwill relating to the entity sold.

(b) Acquired trademarks

Trademarks acquired from business acquisition are capitalised at fair value at the date of acquisition. After initial recognition, the acquired trademarks are carried at cost less accumulated amortisation and any accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 12.4 years, which is the shorter of their estimated useful lives and periods of contractual rights.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Club Memberships

Club memberships relate to the entrance fees paid for the right to use the facilities of the clubs. Club membership is measured on initial recognition at cost. The cost of club memberships is the fair value as at the date of acquisition. Subsequent to recognition, club memberships are carried at cost less any accumulated impairment losses.

Club memberships with indefinite useful lives are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such club memberships are not amortised. The useful life of a club membership with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of club memberships are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

2.7 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.8 Investment in subsidiary corporations

Investments in subsidiary corporations are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2 Significant accounting policies (continued)

2.9 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Intangible assets Plant and equipment Investments in subsidiary corporations

Intangible assets, plant and equipment and investments in subsidiary corporations are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating units ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

2 Significant accounting policies (continued)

2.10 Financial assets

(a) *Classification and measurement*

The Group classifies and measures its financial assets at amortised cost. The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, transaction costs that are directly attributable to the acquisition of the financial asset.

At subsequent measurement

Debt instrument

Debt instruments mainly comprise of cash and cash equivalents and trade and other receivables.

The following is the prescribed subsequent measurement category, depending on the Group's business model in managing the assets and the cash flow characteristics of the assets.

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method.

(b) *Impairment*

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 27 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2 Significant accounting policies (continued)

2.10 Financial assets (continued)

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.12 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

(a) Borrowings

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(b) Convertible bonds

The total proceeds from convertible bonds issued are allocated to the liability component and the equity component, which are separately presented on the balance sheet.

The liability component is recognised initially at its fair value, determined using a market interest rate for equivalent non-convertible bonds. It is subsequently carried at amortised cost using the effective interest method until the liability is extinguished on conversion or redemption of the bonds.

The difference between the total proceeds and the liability component is allocated to the conversion option (equity component), which is presented in equity net of any deferred tax effect. The carrying amount of the conversion option is not adjusted in subsequent periods. When the conversion option is exercised, its carrying amount is transferred to the share capital. When the conversion option lapses, its carrying amount is transferred to retained profits.

2 Significant accounting policies (continued)

2.13 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.14 Leases

- (a) The accounting policy for leases before 1 January 2019 is as follows:

When the Group is the lessee:

The Group leases premises under operating leases from non-related parties.

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the year of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

- (b) The accounting policy for leases from 1 January 2019 is as follows:

When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- Right-of-use assets

The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

2 Significant accounting policies (continued)

2.14 Leases (continued)

(b) The accounting policy for leases from 1 January 2019 is as follows: (continued)

- Lease liabilities

The initial measurement of a lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use assets, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

- Short-term and low-value leases

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

2.15 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of inventories includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses. The amount of any write-down of inventories to net realisable value shall be recognized as an expense in the period the write-down occurs. The amount of any reversal of write-down of inventories, arising from an increase in net realisable value, shall be recognized as a reduction in the amount of inventories recognized or an expense in the period in which the reversal occurs.

2 Significant accounting policies (continued)**2.16 Biological assets**

The Group's biological assets comprise of live fish that are divided into two main groups, depending on the stage of the life cycle. At the earlier stage of the life cycle, the fish are classified in group (1) immature fish in land nursery at cost. During this stage, the fish are kept on shore. When the fish are large enough for release to sea, they are classified in group (2) fish at sea. Fish at sea can be further divided into mature fish at sea at fair value and immature fish at sea at cost. The Group considers live fish weighing more than 500grams to have an active and established market. These fish are classified as mature fish at sea at fair value, while fish that have not yet achieved this weight are classified as immature fish at sea at cost.

Mature live fish at sea at fair value are carried at fair value less estimated point-of-sale costs (harvesting costs and transport costs). The Group estimates the fair value of live fish based on the biomass at sea for each location and observed market prices for harvested fish at the balance sheet date in the respective markets in which the Group operates. The observed market prices are based on historical selling prices. The adjustment for point-of-sale costs is based on the Group's historical costs per location. The difference between the fair values of the biological assets and the carrying amounts at the end of the period is recognised as a fair value adjustment in profit or loss.

Immature live fish at sea at cost could have production cost per kilogram (kg) higher than market prices per kg for harvested fish. If this is the case the fish is carried at the higher of the two if it is reasonable that the production cost will be fully covered through further farming and later sale. If further growth and sale is not expected to cover the cost of production, the fish is carried at the estimated value based on market prices.

The income or loss which will be recognised on sale may differ materially from that implied by the fair value adjustment at the end of a period. The fair value adjustment on biological assets has no cash impact and does not affect the results of operations before unrealised fair value adjustments.

Write-downs of biological assets occur due to mortality, which are expensed to profit or loss.

2.17 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

2 Significant accounting policies (continued)

2.17 Income taxes (continued)

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised in the statement of comprehensive income as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2 Significant accounting policies (continued)

2.19 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) *Share-based payments*

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date.

At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognise the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to the share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

(c) *Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

2 Significant accounting policies (continued)

2.20 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (“functional currency”). The financial statements are presented in Singapore Dollars (“\$”), which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency (“foreign currency”) are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within “finance expense”. All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within “administrative expenses”.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities’ financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2 Significant accounting policies (continued)

2.21 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheet. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.22 Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

Preference share capital

Preference share capital is classified as equity if it is non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary. Discretionary dividends thereon are recognised as distributions within equity upon approval by the Company's shareholders.

Preference share capital is classified as a financial liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Non-discretionary dividends thereon are recognised as interest expense in profit or loss as accrued.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

(a) Estimated impairment of goodwill

In performing the impairment assessment of the carrying amount of goodwill, as disclosed in Note 17, the recoverable amounts of the cash-generating units ("CGUs"), in which goodwill has been attributable to, are determined using value-in-use ("VIU") calculation. These calculations require estimates (Note 17).

The sensitivity analysis on the key assumptions applied in the calculations are disclosed in Note 17 to the financial statements.

4. Revenue

Revenue represents sales of goods and services and is recognised at a point in time.

	Group	
	2019	2018
	\$	\$
Sales of goods	23,009,958	14,664,484
Services rendered	42,382	153,222
	<u>23,052,340</u>	<u>14,817,706</u>

5. Other income

	Group	
	2019	2018
	\$	\$
Interest income from bank deposits	254,795	521,541
Amortisation of capital grants	127,999	127,999
Insurance claim funds	1,368,549	-
Grants received ⁽¹⁾	363,915	-
Others	88,393	876,637
	<u>2,203,651</u>	<u>1,526,177</u>

⁽¹⁾ Global Company Partnership-Grant was introduced under International Enterprise Singapore Board to help businesses defray eligible costs of their overseas expansion projects in capability building, market access and manpower development.

6. Loss before tax

The Group's loss before income tax is arrived at after charging the following:

	Group	
	2019	2018
	\$	\$
Employee compensation (Note 7)	10,192,723	4,981,951
Advertisement and promotion	568,972	266,434
Net foreign exchange loss	542,228	479,744
Legal and professional fees	<u>583,069</u>	<u>1,110,624</u>

7. Employee compensation

	Group	
	2019	2018
	\$	\$
Wages and salaries	8,238,491	4,134,275
Employer's contribution to defined contribution plans	310,846	452,893
Share-based payments	290,385	260,763
Other benefits	<u>1,353,001</u>	<u>134,020</u>
	<u>10,192,723</u>	<u>4,981,951</u>

8. Finance expense

	Group	
	2019	2018
	\$	\$
Interest expenses:		
- Bank borrowings	456,605	801,392
- Lease liabilities	349,393	-
- Finance lease	-	1,373
- Convertible loans	<u>848,625</u>	<u>217,172</u>
	<u>1,654,623</u>	<u>1,019,937</u>

9. Income tax credit

	Group	
	2019	2018
	\$	\$
Tax credit attributable to loss is made up of:		
- Current income tax	-	2,310,421
- Deferred income tax (Note 22)	1,158,216	722,779
(Under)/Over provision in prior financial years		
- Current income tax	-	12
- Deferred income tax (Note 22)	(29,985)	-
	1,128,231	3,033,212

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group	
	2019	2018
	\$	\$
Loss before tax	(32,242,278)	(14,066,526)
Tax calculated at tax rate of 17% (2018: 17%)	(5,481,187)	(2,391,309)
- Different tax rates in other countries	(2,356,592)	(924,363)
- Expenses not deductible for tax purposes	2,182,417	430,069
- Tax incentives	-	(849,813)
- Income not subject to tax	(5,623)	(431,181)
- Change in unrecognised temporary differences	4,511,103	1,133,397
- Under/(over) provision of tax in prior financial years	29,985	(12)
- Others	(8,334)	-
	(1,128,231)	(3,033,212)

10. Cash and cash equivalents

	Group		Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Cash at bank and on hand	6,958,676	932,003	3,868,610	838,875
Short-term bank deposits	20,217,743	5,566,164	5,132,530	5,566,164
	27,176,419	6,498,167	9,001,140	6,405,039

10. Cash and cash equivalents (continued)

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2019	2018
	\$	\$
Cash and bank balances (as above)	27,176,419	6,498,167
Less: Short-term deposits pledged	<u>(5,132,530)</u>	<u>(5,066,164)</u>
Cash and cash equivalents per consolidated statement of cash flows	<u>22,043,889</u>	<u>1,432,003</u>

Bank deposits are pledged in relation to the security granted for certain borrowings (Note 19).

11. Trade and other receivables

	Group		Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
<u>Current</u>				
Trade receivables:				
- Non-related parties	2,598,411	3,174,243	1,499,391	793,610
- Affiliated company of the Group	26,306	1,681	26,306	1,681
- Subsidiary corporations	<u>-</u>	<u>-</u>	<u>766,076</u>	<u>-</u>
	<u>2,624,717</u>	<u>3,175,924</u>	<u>2,291,773</u>	<u>795,291</u>
Other receivables:				
- Non-related parties	999,253	1,632,076	345,597	631,821
- Ultimate holding company	7,266	-	7,266	-
- Subsidiary corporations	<u>-</u>	<u>-</u>	<u>26,632,876</u>	<u>2,609,724</u>
	<u>1,006,519</u>	<u>1,632,076</u>	<u>26,985,739</u>	<u>3,241,545</u>
Less: Loss allowance	<u>-</u>	<u>-</u>	<u>(1,276,473)</u>	<u>(1,276,473)</u>
	<u>1,006,519</u>	<u>1,632,076</u>	<u>25,709,266</u>	<u>1,965,072</u>
Research and development tax refund				
	-	2,206,277	-	-
Deposits	485,022	85,177	325,077	67,077
Prepayments	<u>118,602</u>	<u>855,229</u>	<u>826,252</u>	<u>854,450</u>
	<u>4,234,860</u>	<u>7,954,683</u>	<u>29,152,368</u>	<u>3,681,890</u>
<u>Non-current</u>				
Other receivables – subsidiary corporation	<u>-</u>	<u>-</u>	<u>7,514,069</u>	<u>6,833,280</u>

Trade and other receivables to ultimate holding corporation, subsidiary corporations and affiliated company of the Group are unsecured, interest-free and repayable on demand.

The loan to a subsidiary is unsecured. Loan amounting to S\$7,514,069 (2018: S\$6,833,280) is repayable in full by 14 September 2023. Interest is fixed at 10% (2018: 10%) per annum.

12. Inventories

	Group		Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Finished goods, at cost	267,289	56,572	73,023	56,572
Finished goods, at net realisable value	120,672	916,789	-	-
Feed and medication, at cost	328,825	718,063	241,117	359,701
	<u>716,786</u>	<u>1,691,424</u>	<u>314,140</u>	<u>416,273</u>

The cost of inventories recognised as an expense and included in “raw materials and consumables” amounted to S\$2,167,424 (2018: S\$2,472,613).

There is no write down of inventories during the financial year ended 31 December 2019 and 2018.

13. Biological assets

	Group		Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Mature fish at sea at fair value ⁽¹⁾	16,553,549	30,068,705	4,984,996	11,517,946
Immature fish at sea at cost ⁽²⁾	108,306	401,564	3,850	209,962
Immature fish in nursery at cost	-	160,998	-	160,998
	<u>16,661,855</u>	<u>30,631,267</u>	<u>4,988,846</u>	<u>11,888,906</u>

Reconciliation of carrying amounts of biological assets

At the beginning of the year	30,631,267	8,305,390	11,888,906	8,305,390
Acquisition via business combination	-	23,032,697	-	-
Fish mortalities	(7,670,729)	(561,605)	(1,700,638)	(333,966)
Cost of fingerlings, feed and medication	9,921,507	8,718,043	2,953,125	3,246,118
Cost of fish harvested	(9,835,615)	(7,391,378)	(2,885,172)	(1,589,154)
Fair value adjustment on biological assets	(5,821,909)	(565,570)	(5,267,375)	2,260,518
Exchange rate movement	(562,666)	(906,310)	-	-
At the end of the year	<u>16,661,855</u>	<u>30,631,267</u>	<u>4,988,846</u>	<u>11,888,906</u>

⁽¹⁾ Mature fish at sea at fair value are fish weighing above 500grams.

⁽²⁾ Immature fish at sea at cost are fish weighing below 500grams.

At 31 December 2019, the Group and the Company held 2,181,126kg and 561,126kg (2018: 3,887,193kg and 1,061,193kg) of fish in cages at sea respectively.

13. Biological assets (continued)

Impact from Algae Bloom

During the financial year, a subsidiary, Marine Produce Australia Pty Ltd (“MPA”) experienced a natural event in the form of an algae bloom in February 2019 which had a significant impact on its fish biomass at the farm and business operations.

As a result of the event, MPA lost over 45% of its biomass, the majority of which is fish of harvestable and near-harvestable size with fair value of approximately \$8.6 million (AUD 9.1 million). Given that the growth period of the fish to harvestable size is approximately 2 years, MPA’s sales revenue and cash are impacted from the substantial reduction in biomass in respect of fish available for sale of up to approximately \$19 million (AUD 20 million) over the 2 year period.

MPA has since implemented an algae bloom risk mitigation plan to minimise the risk and potential impact of any recurrence of a similar event as it rebuilds its farm’s biomass over the next 2 years.

14. Investments in subsidiary corporations

	Company	
	2019	2018
	\$	\$
Equity investments at cost		
At the beginning of financial year	19,819,724	50,000
Addition	999	19,769,724
At end of the financial year	<u>19,820,723</u>	<u>19,819,724</u>

2019

On 23 March 2019, the Company has incorporated a newly owned subsidiary corporation, Barramundi Asia (Brunei) Sdn. Bhd., with a paid-up share capital of \$1,000.

2018

On 2 July 2018, the Company acquired 100% of the shares and voting interest in Marine Produce Australia Pty Ltd and its subsidiary corporations for a total consideration of \$ 19,575,264.

On 17 October 2018, the Company has incorporated a newly owned subsidiary corporation, Barramundi Asia (Shanghai) Pte. Ltd., with a paid-up share capital of \$194,460.

14. Investments in subsidiary corporations (continued)

The Group has the following subsidiary corporations as at 31 December 2019 and 2018:

<u>Name</u>	<u>Principal activities</u>	<u>Country of business/ incorporation</u>	<u>Proportion of ordinary shares directly held by the Company</u>		<u>Proportion of ordinary shares held by the Group</u>		<u>Proportion of ordinary shares held by non-controlling interests</u>	
			2019 %	2018 %	2019 %	2018 %	2019 %	2018 %
<u>Held by the Company</u>								
UVAXX Pte. Ltd. ⁽¹⁾	Development and sale of vaccines for fish	Singapore	100	100	100	100	-	-
Marine Produce Australia Pty Ltd ⁽²⁾	Ocean farming of finfish	Australia	100	100	100	100	-	-
Barramundi Asia (Shanghai) Pte. Ltd. ⁽³⁾	Import and trading of fish	China	100	100	100	100	-	-
Barramundi Asia (Brunei) Sdn. Bhd. ⁽³⁾	Ocean farming of finfish	Brunei	99	-	100	-	-	-
<u>Held by Marine Produce Australia Pty Ltd</u>								
MPA Fish Farms Pty Ltd ⁽²⁾	Ocean farming of finfish	Australia	100	100	100	100	-	-
MPA Marketing Pty Ltd ⁽²⁾	Sale and distribution of ocean farmed finfish	Australia	100	100	100	100	-	-

⁽¹⁾ Audited by Nexia TS Public Accounting Corporation, Singapore.

⁽²⁾ Audited by KPMG LLP Australia.

⁽³⁾ Reviewed by Nexia TS Public Accounting Corporation, Singapore for purposes of consolidation.

15. Plant and equipment

	<u>Leasehold improvements</u> \$	<u>Plant equipment and boats</u> \$	<u>Nets, cages and moorings</u> \$	<u>Office and computer equipment</u> \$	<u>Motor Vehicles</u> \$	<u>Leasehold land, sea and buildings</u> \$	<u>Capital work in progress</u> \$	<u>Total</u> \$
Group								
2019								
Cost								
Beginning of financial year	2,642,160	24,095,224	2,767,983	194,903	58,000	-	203,396	29,961,666
Adoption of SFRS(I) 16	-	207,274	-	-	-	1,609,908	-	1,817,182
Additions	93,000	2,725,900	97,446	13,255	-	370,279	1,558,322	4,858,202
Transfer from capital work in progress	-	63,811	-	-	-	-	(63,811)	-
Written-off	-	(240,014)	-	(13,019)	-	-	-	(253,033)
Exchange differences	-	(668,096)	-	-	-	(45,692)	(2,601)	(716,389)
End of financial year	<u>2,735,160</u>	<u>26,184,099</u>	<u>2,865,429</u>	<u>195,139</u>	<u>58,000</u>	<u>1,934,495</u>	<u>1,695,306</u>	<u>35,667,628</u>
Accumulated depreciation and impairment								
Beginning of financial year	270,327	14,334,470	1,381,435	108,123	26,238	-	-	16,120,593
Depreciation charge	249,868	1,724,770	176,510	49,915	11,600	618,417	-	2,831,079
Written-off	-	(171,093)	-	(13,019)	-	-	-	(184,112)
Impairment	-	1,030,658	-	-	-	-	-	1,030,658
Exchange differences	-	(476,917)	-	-	-	(7,682)	-	(484,598)
End of financial year	<u>520,195</u>	<u>16,441,888</u>	<u>1,557,945</u>	<u>145,019</u>	<u>37,838</u>	<u>610,735</u>	<u>-</u>	<u>19,313,620</u>
Net book value								
End of financial year	<u>2,214,965</u>	<u>9,742,211</u>	<u>1,307,484</u>	<u>50,120</u>	<u>20,162</u>	<u>1,323,760</u>	<u>1,695,306</u>	<u>16,354,008</u>

15. Plant and equipment (continued)

	<u>Leasehold improvements</u> \$	<u>Plant equipment and boats</u> \$	<u>Nets, cages and moorings</u> \$	<u>Office and computer equipment</u> \$	<u>Motor Vehicles</u> \$	<u>Capital work in progress</u> \$	<u>Total</u> \$
Group							
<u>2018</u>							
Cost							
Beginning of financial year	587,557	6,330,839	2,684,521	161,352	58,000	-	9,822,269
Additions	2,054,603	1,211,410	83,462	33,551	-	206,531	3,589,557
Acquisitions through business combination	-	17,374,635	-	-	-	-	17,374,635
Exchange differences	-	(821,660)	-	-	-	(3,135)	(824,795)
End of financial year	<u>2,642,160</u>	<u>24,095,224</u>	<u>2,767,983</u>	<u>194,903</u>	<u>58,000</u>	<u>203,396</u>	<u>29,961,666</u>
Accumulated depreciation							
Beginning of financial year	209,706	2,766,832	1,155,867	71,175	14,634	-	4,218,214
Depreciation charge	60,621	1,110,961	225,568	36,948	11,604	-	1,445,702
Acquisitions through business combination	-	10,982,265	-	-	-	-	10,982,265
Exchange differences	-	(525,588)	-	-	-	-	(525,588)
End of financial year	<u>270,327</u>	<u>14,334,470</u>	<u>1,381,435</u>	<u>108,123</u>	<u>26,238</u>	<u>-</u>	<u>16,120,593</u>
Net book value							
End of financial year	<u>2,371,833</u>	<u>9,760,754</u>	<u>1,386,548</u>	<u>86,780</u>	<u>31,762</u>	<u>203,396</u>	<u>13,841,073</u>

15. Plant and equipment (continued)

	<u>Leasehold improvements</u>	<u>Plant equipment and boats</u>	<u>Nets, cages and moorings</u>	<u>Office and computer equipment</u>	<u>Motor Vehicles</u>	<u>Leasehold land, sea and buildings</u>	<u>Capital work in progress</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$	\$	\$
Company								
<u>2019</u>								
Cost								
Beginning of financial year	2,642,160	6,363,391	2,767,983	182,427	58,000	-	136,984	12,150,945
Adoption of SFRS(I) 16	-	207,274	-	-	-	364,574	-	571,848
Additions	93,000	509,061	97,446	11,715	-	-	1,273,604	1,984,826
Written-off	-	-	-	(13,019)	-	-	-	(13,019)
End of financial year	<u>2,735,160</u>	<u>7,079,726</u>	<u>2,865,430</u>	<u>181,123</u>	<u>58,000</u>	<u>364,574</u>	<u>1,410,589</u>	<u>14,122,754</u>
Accumulated depreciation								
Beginning of financial year	270,327	3,270,411	1,381,435	99,667	26,238	-	-	5,048,078
Depreciation charge	249,869	611,867	176,510	47,174	11,600	265,805	-	1,053,383
Written-off	-	-	-	(13,019)	-	-	-	(13,019)
End of financial year	<u>520,196</u>	<u>3,882,278</u>	<u>1,557,945</u>	<u>133,822</u>	<u>37,838</u>	<u>265,805</u>	<u>-</u>	<u>6,088,442</u>
Net book value								
End of financial year	<u>2,214,964</u>	<u>3,197,448</u>	<u>1,307,485</u>	<u>47,301</u>	<u>20,162</u>	<u>98,769</u>	<u>1,410,589</u>	<u>8,296,718</u>

15. Plant and equipment (continued)

	<u>Leasehold improvements</u> \$	<u>Plant equipment and boats</u> \$	<u>Nets, cages and moorings</u> \$	<u>Office and computer equipment</u> \$	<u>Motor Vehicles</u> \$	<u>Capital work in progress</u> \$	<u>Total</u> \$
Company							
<u>2018</u>							
Cost							
Beginning of financial year	587,557	5,662,558	2,684,521	150,837	58,000	-	9,143,473
Additions	2,054,603	700,833	83,462	31,590	-	136,984	3,007,472
End of financial year	2,642,160	6,363,391	2,767,983	182,427	58,000	136,984	12,150,945
Accumulated depreciation							
Beginning of financial year	209,706	2,710,174	1,155,867	65,535	14,634	-	4,155,916
Depreciation charge	60,621	560,237	225,568	34,132	11,604	-	892,162
End of financial year	270,327	3,270,411	1,381,435	99,667	26,238	-	5,048,078
Net book value							
End of financial year	2,371,833	3,092,980	1,386,548	82,760	31,762	136,984	7,102,867

Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 16(a).

16. Leases – The Group and Company as a lessee

Nature of the Group's leasing activities

Leasehold land, sea and buildings

The Group and the Company lease several assets including leasehold land, sea and buildings for the purpose of commercial farming and back office operations. The leases have varying terms and are renegotiated upon renewal.

Plant and equipment

The Group and the Company lease plant and equipment for the purpose of daily operation. The leases have varying terms and are renegotiated upon renewal.

(a) *Carrying amounts*

Right-of-use assets classified within plant and equipment

	<u>Group</u> <u>2019</u>	<u>Company</u> <u>2019</u>
	\$	\$
Leasehold land, sea and buildings	1,323,760	98,769
Plant equipment and boats	2,568,541	163,638
	<u>3,892,301</u>	<u>262,407</u>

(b) *Depreciation charge during the year*

	<u>Group</u> <u>2019</u>	<u>Company</u> <u>2019</u>
	\$	\$
Leasehold land, sea and buildings	557,665	265,805
Plant equipment and boats	300,465	43,637
	<u>858,130</u>	<u>309,442</u>

(c) *Interest expense*

	<u>Group</u> <u>2019</u>	<u>Company</u> <u>2019</u>
	\$	\$
Interest expense on lease liabilities	<u>349,393</u>	<u>15,471</u>

(d) *Lease expense not capitalised in lease liabilities*

	<u>Group</u> <u>2019</u>	<u>Company</u> <u>2019</u>
	\$	\$
Lease expense – short-term leases	<u>25,816</u>	<u>6,768</u>

16. **Leases – The Group and Company as a lessee** (continued)

(e) Total cash outflow for all the leases in 2019 was \$2,315,342.

(f) Addition of ROU assets during the financial year 2019 was \$370,279.

(g) Future cash outflow which are not capitalised in lease liabilities

Extension options

The leases for certain leasehold land, sea and buildings contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension option. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The majority of the extension options are exercisable by the Group and not by the lessor.

17. **Intangible assets**

	Club membership \$	Goodwill \$	Trademark \$	Total \$
Group				
<u>2019</u>				
Cost				
Beginning and end of financial year	15,300	2,240,496	4,424,904	6,680,700
Accumulated amortisation				
Beginning of financial year	-	-	228,678	228,678
Amortisation charge	-	-	306,591	306,591
End of financial year	-	-	535,269	535,269
Carrying amounts				
End of financial year	15,300	2,240,496	3,889,635	6,145,431
<u>2018</u>				
Cost				
Beginning of financial year	15,300	-	-	15,300
Additions	-	2,240,496	4,424,904	6,665,400
End of financial year	15,300	2,240,496	4,424,904	6,680,700
Accumulated amortisation				
Beginning of financial year	-	-	-	-
Amortisation charge	-	-	228,678	228,678
End of financial year	-	-	228,678	228,678
Carrying amounts				
End of financial year	15,300	2,240,496	4,196,226	6,452,022

17. Intangible assets (continued)

	Club membership \$
Company	
<u>2019</u>	
Cost	
Beginning and end of financial year	<u>15,300</u>
<u>2018</u>	
Cost	
Beginning and end of financial year	<u>15,300</u>

The useful life of the club membership is indefinite.

For Impairment test of goodwill in assessing whether an impairment is required, the carrying amount of the CGU is compared with its recoverable amount. The recoverable amount of the CGU was determined based on value-in-use. The management has adopted discounted cash flow approach to determine the value-in-use. The cash flow projection covering a five-year period is based on budgets approved by management. Cash flows beyond the five-year period were extrapolated using terminal growth rate of 0%. These cash flows were discounted using a pre-tax discount rate that reflected current market assessment of the time value of money and the risks specific to the CGU. The growth rate is based on past performance and expectations on market development. In the previous financial year, the Group has not performed any impairment assessment on this acquisition as it was acquired during the previous financial year. Furthermore, there are no internal and external triggering events that indicated an impairment of goodwill.

Key assumptions used in value-in-used calculations:

	Group 2019 %
Growth rate ⁽¹⁾	0% and 9%
Discount rate ⁽²⁾	<u>10.1%</u>

(1) Revenue growth rate used for extrapolation of future revenue

(2) Pre-tax discount rate applied to the pre-tax cash flows projections

If the estimated growth rate used in the value-in-used calculation for this CGU had declined by 2.1%, estimated pre-tax discount rate applied to the discounted cash flows for this CGU had raised by 6.2%, the recoverable amount of the CGU would equal to the carrying amount.

18. Trade and other payables

	Group		Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Trade payables				
- Non-related parties	2,758,715	4,553,422	1,073,938	1,084,886
- Affiliated companies	18,066	325,347	18,066	325,347
	<u>2,776,781</u>	<u>4,878,769</u>	<u>1,092,004</u>	<u>1,410,233</u>
Other payables	2,629,461	1,113,956	275,802	137,636
Accruals	1,056,968	1,938,804	407,107	283,057
	<u>6,463,210</u>	<u>7,931,529</u>	<u>1,774,913</u>	<u>1,830,926</u>

Trade payables are normally settled on 30 to 90 days terms. Trade payables due to affiliate companies are unsecured and interest-free.

The carrying amounts of trade and other payables approximate their fair values.

19. Borrowings

	Group		Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Non-current liabilities:				
Secured bank loans	5,804,342	4,463,542	-	-
Lease liabilities	2,056,310	-	102,242	-
Finance lease liabilities	-	2,047,622	-	-
Convertible loans	-	8,370,000	-	8,370,000
	<u>7,860,652</u>	<u>14,881,164</u>	<u>102,242</u>	<u>8,370,000</u>
Current liabilities:				
Secured bank loans	6,207,582	9,214,685	5,000,000	7,460,882
Lease liabilities	1,418,753	-	146,678	-
Current portion of finance lease liabilities	-	1,009,916	-	-
Convertible loans	8,370,000	-	8,370,000	-
	<u>15,996,335</u>	<u>10,224,601</u>	<u>13,516,678</u>	<u>7,460,882</u>
	<u>23,856,987</u>	<u>25,105,765</u>	<u>13,618,920</u>	<u>15,830,882</u>

19. Borrowings (continued)

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Currency	Nominal interest rate	Year of maturity	2019		2018	
				Face value \$	Carrying amount \$	Face value \$	Carrying amount \$
Group							
Secured bank loans	SGD	ABS SIBOR + 2%	2020	5,000,000	5,000,000	8,000,000	7,460,882
Secured bank loans	AUD	BBSY + 3.55%	2027	13,865,408	7,127,707	12,150,000	6,217,345
Lease liabilities	AUD	4.41–5.51%	2024	6,928,454	3,359,280	-	-
Finance lease liabilities	AUD	2.14–4.02%	2023	-	-	5,017,613	3,057,538
Convertible loans	SGD	10%	2020	8,370,000	8,370,000	8,370,000	8,370,000
				<u>34,163,862</u>	<u>23,856,987</u>	<u>33,537,613</u>	<u>25,105,765</u>
Company							
Secured bank loans	SGD	ABS SIBOR + 2%	2020	5,000,000	5,000,000	8,000,000	7,460,882
Convertible loans	SGD	10%	2020	8,370,000	8,370,000	8,370,000	8,370,000
				<u>8,370,000</u>	<u>8,370,000</u>	<u>16,370,000</u>	<u>15,830,882</u>

The secured bank loans of the Group are secured over the following:

- the fixed deposit (Note 10), new debentures over the Company's fixed and floating assets and new assignment of all the Company's rights, title, benefits and interest in connection with any insurance policies (including but not limited to the Company's commercial aquaculture stock) with respect to the Company's assets; and
- a subsidiary's all present and after-acquired property and a mortgage over the aquaculture license.

Convertible loans

The loans were issued in September and November 2018 and matures on 29 February 2020.

The loans are unsecured and the principal and accrued interest are convertible, at the option of the lenders, into Class A ordinary shares of the Company on the eve of any loan redemption period or at the maturity of the loans at S\$0.60 per share. Interest of 10% per annum is payable quarterly in arrears.

The convertible loans were regarded as derivative financial liabilities as they do not meet the "fixed-for-fixed" criterion.

19. Borrowings (continued)

Finance Lease (disclosure required under SFRS(I) 1-17)

Finance lease liabilities are payable as follows:

	Future minimum lease payments 2018 \$	Interest 2018 \$	Present value of minimum lease payments 2018 \$
Group			
Within one year	1,169,933	160,017	1,009,916
Between one and 5 years	2,200,746	153,124	2,047,622
	<u>3,370,679</u>	<u>313,141</u>	<u>3,057,538</u>

As at 31 December 2019, the Group leased certain of its property, plant and equipment under finance leases. The lease agreements do not have renewal clauses but provide the Group with options to purchase the leased assets at nominal values at the end of lease terms.

The lease term for the Group approximates 4 - 5 years. The average effective borrowing rate is 2.14% - 5.20% per annum. Interest rates are fixed at the contract date, and thus expose the Group to fair value interest rate risk. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Finance lease liabilities were reclassified to lease liabilities on 1 January 2019 arising from the adoption of SFRS(I) 16. The impact of adoption is disclosed in Note 2.

20. Deferred capital grants

Deferred capital grants relate to government grants received for the acquisition of plant and equipment to promote productivity and innovation. There are no unfulfilled conditions or contingencies attached to these grants.

21. Provisions

Provision for reinstatement costs relates to the estimated costs of reinstating leased premise to its original condition upon vacating the premise at the end of the lease term.

22. Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxation authority.

The amounts, determined after appropriate offsetting, are shown on the balance sheet as follows:

	Group	
	2019	2018
	\$	\$
Deferred tax assets	(2,023,137)	(1,629,490)
Deferred tax liabilities	3,175,153	3,921,574
Net deferred tax liabilities	<u>1,152,016</u>	<u>2,292,084</u>

Movement in deferred tax balances

	Plant and equipment	Intangible assets	Inventory	Employee benefits	Unutilised tax losses	Other items	Net deferred tax (assets)/ liabilities
	\$	\$	\$	\$	\$	\$	\$
Group							
At 1 January 2019	(424,891)	1,109,795	2,560,352	(126,205)	(596,319)	(230,648)	2,292,084
Recognised in profit or loss	(309,128)	39,349	(449,645)	(38,526)	588,457	(958,738)	(1,128,231)
Exchange differences	24,775	11,364	(96,062)	5,956	7,862	34,268	(11,837)
At 31 December 2019	<u>(709,244)</u>	<u>1,160,508</u>	<u>2,014,645</u>	<u>(158,775)</u>	<u>-</u>	<u>(1,155,118)</u>	<u>1,152,016</u>
At 1 January 2018	-	-	-	-	-	-	-
Acquisition via business combination	(639,306)	1,099,296	3,642,177	(131,004)	(471,382)	(440,978)	3,058,803
Recognised in profit or loss	139,759	-	(960,758)	18,537	(153,529)	233,212	(722,779)
Exchange differences	74,656	10,499	(121,067)	(13,738)	28,592	(22,882)	(43,940)
At 31 December 2018	<u>(424,891)</u>	<u>1,109,795</u>	<u>2,560,352</u>	<u>(126,205)</u>	<u>(596,319)</u>	<u>(230,648)</u>	<u>2,292,084</u>

22. Deferred income taxes (continued)

Unrecognised temporary differences

	Group		Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Unabsorbed allowances carried forward	1,870,466	1,099,516	1,870,466	1,099,516
Unutilised tax losses	50,432,758	35,512,373	41,310,146	34,204,155
Total unrecognised temporary differences	<u>52,303,224</u>	<u>36,611,889</u>	<u>43,180,612</u>	<u>35,303,671</u>

No deferred tax assets have been recognised in respect of these items because it is uncertain that future taxable profits will be available to utilise the benefits.

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable.

The unrecognised tax losses and capital allowances at the balance sheet date can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses and capital allowances in their respective countries of incorporation. The tax losses have no expiry date. The capital allowances will expire between 2021 and 2022.

23. Share capital

	2019	2018	2019	2018
	Number of shares	Number of shares	\$	\$
Group and Company				
Issued and paid up capital				
Ordinary shares	241,038,420	96,628,933	105,259,252	29,171,521
Class A ordinary shares	-	80,266,521	-	37,481,978
Preference share	-	1	-	1
			<u>105,259,252</u>	<u>66,653,500</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

The Class A ordinary shares have the same rights and privileges attaching to and ranking *pari passu* with all ordinary shares. It is entitled the same dividend that may be declared to ordinary share, until the holders of ordinary shares have received the threshold amount set at S\$29,427,828. Thereafter, any dividend and/or distributions to be declared to the holders of all shares be allocated as stipulated in the constitution.

23. Share capital (continued)

The following table shows a reconciliation from the beginning balances to the ending balances for share capital:

Group and Company	2019	2018	2019	2018
	Number of shares	Number of shares	\$	\$
Fully paid ordinary shares				
At the beginning of the year	96,628,933	96,628,933	29,171,521	29,171,521
Converted from Class A ordinary shares	80,266,521	-	37,481,978	-
Converted from preference share	1	-	1	-
Issued for cash	64,342,965	-	38,605,752	-
At the end of the year	241,238,420	96,628,933	105,259,252	29,171,521
Fully paid Class A ordinary shares				
At the beginning of the year	80,266,521	24,102,564	37,481,978	9,400,000
Issued for cash	-	56,163,957	-	28,081,978
Converted to ordinary shares	(80,266,521)	-	(37,481,978)	-
At the end of the year	-	80,266,521	-	37,481,978
Fully paid preference share				
At the beginning of the year	1	-	1	-
Converted to ordinary share	(1)	1	(1)	1
At the end of the year	-	1	-	1

The preference share has no voting rights and is not entitled to any dividend until after the Company has paid and/or distributed in aggregate to the ordinary shareholders collectively, the amount equivalent to the total issued and paid up ordinary share capital of the Company. Thereafter, the preference share is entitled to receive 20% of all distributions, ranking *pari passu* with 80% of such distributions among ordinary shareholders.

In 2018, the Company issued 56,163,957 Class A ordinary shares and 31,409,633 warrants for total consideration of \$29,652,458. Refer to Note 24 for more information on the warrants.

During the year, the Company converted all Class A ordinary shares and preference shares to ordinary shares. The Company also issued 64,342,965 ordinary shares for a total consideration of \$38,605,752.

Capital management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain an optimal capital structure in order to finance its operations, support business growth and maximise shareholder value.

Management reviews the capital structure on a regular basis. As part of this review, management considers the cost of capital and the risk associated with each class of capital. To maintain or adjust the capital structure, Group companies may issue new shares, return capital to shareholders, make dividend payments, increase/decrease shareholders' loans or increase/reduce bank borrowings.

The Group's overall strategy remains unchanged from the previous financial year.

24. Other reserves

Composition:

	Group		Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Equity reserve	2,854,500	2,854,500	2,854,500	2,854,500
Employee share option reserve	2,143,928	1,853,543	2,143,928	1,853,543
Currency translation reserve	(263,197)	(381,716)	-	-
	<u>4,735,231</u>	<u>4,326,327</u>	<u>4,998,428</u>	<u>4,708,043</u>

The equity reserve comprises:

- the equity component of convertible loans received in previous years that have been converted to paid-up ordinary shares; and
- warrants issued in 2018.

Reconciliation of outstanding warrants

The number and weighted-average exercise prices of warrants are as follows:

	Weighted average exercise price 2019	Number of options 2019	Weighted average exercise price 2018	Number of options 2018
Outstanding at the beginning of the year	\$0.55	31,409,633	N/A	-
Issued during the year	\$0.55	-	\$0.55	31,409,633
Outstanding at the end of the year	\$0.55	<u>31,409,633</u>	\$0.55	<u>31,409,633</u>
Exercisable at the end of the year	\$0.55	<u>31,409,633</u>	\$0.55	<u>31,409,633</u>

Under the terms of the issuance of warrants in 2018, holders of the warrants are entitled to purchase shares at \$0.55 per share, at any time within a period of 3 years from the issue of the warrants. The fair value of the warrants has been measured using the residual method. All warrants are held by shareholders of the Company.

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company.

Employee share option reserve represents the equity-settled share options granted to employees. The reserve made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options

25. Commitments

(a) Capital commitments

	Group and Company	
	2019	2018
	\$	\$
Acquisition of plant and equipment	1,691,509	379,770

(b) Operating lease commitments – where the Group is a lessee (Disclosure under SFRS(I) 1-17)

Future lease payments in respect of non-cancellable operating leases as at reporting date and payable:

	Group	Company
	2018	2018
	\$	\$
Within 1 year	663,848	310,248
Withn 2 to 5 months	1,268,567	114,635
	<u>1,932,415</u>	<u>424,883</u>

As disclosed in Note 2, the Group has adopted SFRS(I) 16 on 1 January 2019. These lease payments have been recognised as right-of-use assets (Note 15) and lease liabilities (Note 19) on the statement of financial position as at 31 December 2019.

26. Related party transactions

(a) Sales and purchases of goods and services

	Company	
	2019	2018
	\$	\$
Sales to subsidiary corporations	793,143	41,287
Purchases from subsidiary corporations	326,828	324,143
Management fee to ultimate holding corporation	<u>125,000</u>	<u>125,000</u>

Outstanding balances as at 31 December 2019 and 2018 are unsecured and receivable/payable within 12 months from the end of the reporting period are disclosed in Notes 11 and 18 to financial statements respectively.

(b) Key management personnel compensation

	Group	
	2019	2018
	\$	\$
Salaries and bonuses	576,948	295,193
Employer's contribution to Central Provident Fund	-	18,332
Share-based payments	189,392	106,146
Other benefits	<u>766,340</u>	<u>-</u>
	<u>576,948</u>	<u>419,671</u>

27. Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. This includes the establishing policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits.

Financial risk management is carried out by finance department in accordance with the policies set. The financial personnel identifies and evaluates financial risks in close co-operation with the Group's operating units. The financial personnel measures actual exposures against the limits set and prepares daily reports for review by Chief Financial Officer. Regular reports are also submitted to the Board of Directors.

27. Financial risk management (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(i) Currency risk

The Group operates in Asia and Oceania with dominant operations in Singapore, China, Brunei and Australia. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies").

Currency risk arises when transactions are denominated in foreign currencies other than functional currency

As at each reporting date, the carrying amounts of significant monetary assets and liabilities denominated in currencies other than the respective Group entities' functional currencies are as follows:

	<u>USD</u> \$	<u>AUD</u> \$	<u>EUR</u> \$	<u>Total</u> \$
Group				
2019				
<u>Financial assets</u>				
Cash and bank balances	97,509	1,005,119	-	1,102,627
Trade and other receivables	805,104	-	-	805,104
	902,613	1,005,119	-	1,907,731
<u>Financial liabilities</u>				
Trade and other payables	(434,991)	-	(164,944)	(599,934)
Currency exposure of net financial assets / (liabilities)	467,622	1,005,119	(164,944)	1,307,797
2018				
<u>Financial assets</u>				
Cash and bank balances	197,811	-	-	197,811
Trade and other receivables	353,282	-	79,566	432,848
	551,093	-	79,566	630,659
<u>Financial liabilities</u>				
Trade and other payables	(594,497)	(33,509)	(144,300)	(772,306)
Currency exposure of net financial assets / (liabilities)	(43,404)	(33,509)	(64,734)	(141,647)

27. Financial risk management (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

	<u>USD</u> \$	<u>AUD</u> \$	<u>EUR</u> \$	<u>Total</u> \$
Company				
2019				
<u>Financial assets</u>				
Cash and bank balances	97,509	1,005,119	-	1,102,627
Trade and other receivables	805,104	13,181,179	-	805,104
	<u>902,613</u>	<u>14,186,298</u>	<u>-</u>	<u>13,986,283</u>
<u>Financial liabilities</u>				
Trade and other payables	(434,991)	-	(164,944)	(599,935)
	<u>(434,991)</u>	<u>-</u>	<u>(164,944)</u>	<u>(599,935)</u>
Currency exposure of net financial assets / (liabilities)	<u>467,622</u>	<u>14,186,298</u>	<u>(164,944)</u>	<u>14,488,976</u>
2018				
<u>Financial assets</u>				
Cash and bank balances	197,811	21,334	-	219,145
Trade and other receivables	353,282	-	-	353,282
	<u>551,093</u>	<u>21,334</u>	<u>-</u>	<u>572,472</u>
<u>Financial liabilities</u>				
Trade and other payables	(594,497)	(33,509)	(144,300)	(772,306)
	<u>(594,497)</u>	<u>(33,509)</u>	<u>(144,300)</u>	<u>(772,306)</u>
Currency exposure of net financial assets / (liabilities)	<u>(43,404)</u>	<u>(12,175)</u>	<u>(144,300)</u>	<u>(199,897)</u>

27. Financial risk management (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(i) *Currency risk (continued)*

A 5% (2018: 5%) strengthening of SGD against the following currencies at balance sheet date would decrease/(increase) the (loss)/profit before income tax by the amounts shown below. This analysis assumes that all other variables being held constant.

	Group	
	2019	2018
	\$	\$
USD	(23,381)	2,170
AUD	(50,256)	1,675
EUR	8,247	(3,237)

	Company	
	2019	2018
	\$	\$
USD	(23,381)	2,170
AUD	(709,315)	609
EUR	8,247	(7,215)

(ii) *Equity price risk*

The Group does not have exposure to equity price risk as it does not hold equity financial assets.

(iii) *Cash flow and fair value interest rate risk*

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing assets, the Group's income is substantially independent of changes in market interest rates.

The Group's policy is to maintain 80 – 90% of its borrowings in fixed rate instruments. The Group's exposure to cash flow interest rate risks arises mainly from non-current variable-rate borrowings. The Company's exposure to cash flow interest rate risks arises mainly from bank borrowings and deposits at fixed rates.

A 1 % increase or decrease in interest rate at the reporting date of each interest bearing financial asset and liability, assuming that all other variables remain constant, would not have a material effect on the Group's results and equity.

27. Financial risk management (continued)

Financial risk factors (continued)

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group adopts the policy of dealing only with:

- Customers of appropriate credit standing and history, and obtaining sufficient collateral or buying credit insurance where appropriate to mitigate credit risk; and
- High credit quality counterparties of at least an 'A' rating by external credit rating companies.

The exposure to credit risks is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by management.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the management based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management and at the Group level by the management.

As the Group and the Company do not hold collateral, the maximum exposure to credit risk to each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet.

Cash and cash equivalents, loan to subsidiary corporations and other receivables are measured at the 12-month expected credit losses and are subject to immaterial credit loss.

(i) *Trade receivables*

The trade receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments. The methodology applied for impairment loss is the simplified approach to measuring expected credit loss (ECL) which uses a lifetime expected loss allowance for all trade receivables. The expected lifetime losses are recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and days past due for measuring the expected credit losses. The allowance matrix is based on its historical observed default rates (over period of 36 months) over the expected life of the trade receivables and is adjusted for forward-looking estimates. At each balance sheet date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The expected loss allowance recognised during the financial year is not material

At each balance sheet date, an evaluation is made whether there is a significant change on credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the balance sheet date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group and the Company. The Management considers a financial asset as default if the counterparty fails to make contractual payments within 90 days when they fall due, and writes off the financial asset when a debtor fails to make contractual payments greater than 120 days past due. Where receivables are written off, the company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

27. Financial risk management (continued)

Financial risk factors (continued)

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and the ability to close out market positions at a short notice. At the balance sheet date, assets held by the Group and the Company for managing liquidity risk included cash and short-term deposits.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuation in cash flows. The Group also ensures the availability of funding through committed bank facilities.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year \$	Between 1 and 5 years \$
Group		
31 December 2019		
Trade and other payables	6,463,210	-
Lease liabilities	1,513,779	2,297,285
Borrowings	14,935,062	6,010,879
	<hr/>	<hr/>
31 December 2018		
Trade and other payables	7,931,529	-
Borrowings	12,383,826	16,153,802
	<hr/>	<hr/>
Company		
31 December 2019		
Trade and other payables	1,774,913	-
Lease liabilities	153,415	106,260
Borrowings	13,606,134	-
	<hr/>	<hr/>
31 December 2018		
Trade and other payables	1,830,926	-
Borrowings	8,329,104	8,507,589
	<hr/>	<hr/>

27. Financial risk management (continued)

Financial risk factors (continued)

(d) Capital risk

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain an optimal capital structure in order to finance its operations, support business growth and maximise shareholder value.

Management reviews the capital structure on a regular basis. As part of this review, management considers the cost of capital and the risk associated with each class of capital. To maintain or adjust the capital structure, Group companies may issue new shares, return capital to shareholders, make dividend payments, increase/decrease shareholders' loans or increase/reduce bank borrowings.

The Group's overall strategy remains unchanged from the previous financial year.

(e) Financial instruments by category

The carrying amount of the different categories of financial instruments are as follows:

	Group		Company	
	2019	2018	2019	2018
	\$	\$	\$	\$
Financial assets, at amortised cost	31,292,677	13,597,621	44,841,325	16,065,759
Financial liabilities, at amortised cost	<u>30,320,197</u>	<u>33,037,294</u>	<u>15,393,833</u>	<u>17,661,808</u>

27. Financial risk management (continued)

Fair value hierarchy

The table below analyses recurring non-financial assets and financial instruments carried at fair value, by the levels in the fair value hierarchy based on the inputs to valuations techniques. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Group				
2019				
Derivative financial instruments				
Convertible loans	–	8,370,000	–	8,370,000
Non-financial assets				
Consumable biological assets	–	16,661,855	–	16,661,855
2018				
Derivative financial instruments				
Convertible loans	–	8,370,000	–	8,370,000
Non-financial assets				
Consumable biological assets	–	30,068,705	–	30,068,705
Company				
2019				
Derivative financial instruments				
Convertible loans	–	8,370,000	–	8,370,000
Non-financial assets				
Consumable biological assets	–	6,304,474	–	6,304,474
2018				
Derivative financial instruments				
Convertible loans	–	8,370,000	–	8,370,000
Non-financial assets				
Consumable biological assets	–	4,988,846	–	4,988,846

The following table summarises the quantitative information about the significant inputs used in Level 2 fair value measurements:

Type	Input
Consumable biological assets	Based on closing biomass at observable market prices less costs to sell. Observable market prices are based on historical selling prices. Consumable biological assets at the end of the financial period are valued based on historical selling price less costs to sell.

28. Business combinations

On 2 July 2018, the Group acquired 100% of the shares and voting interests in Marine Produce Australia Pty Ltd and its subsidiary corporations ("MPA Group").

The acquisition of MPA is part of the Group's strategy to become a leader in global barramundi aquaculture.

For the six months ended 31 December 2018, MPA Group contributed revenue of \$9.5 million and loss of \$5.7 million to the Group's results. If the acquisition had occurred on 1 January 2018, management estimates that consolidated revenue would have been \$16,246,513, and consolidated loss for the year would have been \$15,662,550.

Consideration transferred

The following table summarises the acquisition-date fair value of each major class of consideration transferred:

	\$
Cash	18,782,293
Deemed settlement of pre-existing relationship	4,828,452
Total consideration transferred	<u>23,610,745</u>

Deemed settlement of pre-existing relationship

At the point of acquisition, MPA Group had an existing loan due from the Group of AUD4,000,000 (equivalent of \$4,828,452) with an interest rate of 10% per annum with maturity on 14 September 2023. This pre-existing relationship was effectively terminated when the Group acquired MPA Group.

The Group has attributed \$792,972 of the consideration transferred as deemed settlement of the loan, and has included the amount in "other income" (see note 5). This amount is the difference between the fair value and carrying amounts of the loan as at the date of acquisition.

Effect of the acquisition of MPA on cash flows

	\$
Cash paid	18,782,293
Less: cash and cash equivalents acquired	(845,773)
Net cash outflow on acquisition	<u>17,936,520</u>

Acquisition-related costs

The Group incurred acquisition-related costs of \$368,332 on legal fees and due diligence costs. These costs have been included in "administrative expenses".

28. **Business combinations** (continued)

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	\$
Plant and equipment	6,392,370
Intangible assets	4,424,904
Biological assets	23,032,697
Other assets	89,999
Deferred tax assets	1,915,956
Inventories	1,744,926
Trade and other receivables	5,295,511
Cash and cash equivalents	845,773
Employee benefits	(384,045)
Loans and borrowings	(9,665,376)
Deferred tax liabilities	(4,974,759)
Trade and other payables	(7,347,707)
Total identifiable net assets	<u>21,370,249</u>

Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Assets acquired	Valuation technique
Plant and equipment	<i>Cost technique:</i> The valuation model considers the typical replacement costs of the plant and equipment.
Intangible assets	<i>Relief-from-royalty method and Multi-period excess earnings method:</i> The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as result of the patents or trademarks being owned. The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the customer relationships, by excluding any cash flows related to contributory assets.
Biological assets	<i>Market comparison technique:</i> The valuation is based on observable market prices less costs to sell. Observable market prices are based on historical selling prices.
Inventories	<i>Cost technique and market comparison technique:</i> Feed stock and consumable stock are measured at cost. Harvested fish stock are measured at selling price less the (a) costs of disposal and (b) a reasonable profit allowance for the acquirer's selling effort based on profit for similar finished goods.

28. **Business combinations** (continued)

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

	\$
Total consideration transferred	23,610,745
Fair value of identifiable net assets	<u>(21,370,249)</u>
Goodwill	<u>2,240,496</u>

The goodwill is attributable mainly to the skill and technical expertise of MPA Group and synergies expected to be achieved from integrating the company into the Group's existing business. None of the goodwill recognised is expected to be deductible for tax purposes.

29. **Share-based payments**

The Company has the following share-based payment arrangements:

Employee Share Option Scheme (Equity settled)

The Company has a share option scheme for qualifying employees of the Group and the Company which was approved and commenced on 1 January 2017 ("2017 Scheme"). The scheme is administered by the Board. Options may be exercised during the exercise period applicable to those options and in accordance with a vesting schedule to be determined by the Board on the date of the grant, and are vested immediately. If the options remain unexercised after a period of six years from the date of grant, the options will lapse.

Options are cancelled if the employee leaves the Company.

Perpetual Call Option

The perpetual call option was approved and commenced on 1 January 2017. The option is administered by the Board. The options granted were vested on 1 January 2017 and may be exercised at any time without an expiry date.

29. Share-based payments (continued)

Measurement of fair values

The fair value of the 2017 Scheme and Perpetual Call Option have been measured using the Black-Scholes formula. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

The inputs used in the measure of the fair values at grant date of the 2017 Scheme were as follows:

	Perpetual Call Option granted on 1 January 2017
Fair value at grant date	\$0.19
Share price at grant date	\$0.43
Exercise price	\$0.28
Expected volatility (weighted-average)	27.7%
Expected life (weighted-average)	4 years
Expected dividend yield	0.0%
Risk-free interest rate (based on government bonds)	1.67%

**Options granted under the
2017 Scheme**

Grant date	24 May 2019	1 Jan 2017
Fair value at grant date	\$0.14	\$0.13
Share price at grant date	\$0.60	\$0.43
Exercise price	\$0.50	\$0.39
Expected volatility (weighted-average)	23.4%	27.7%
Expected life (weighted-average)	2 years	4 years
Expected dividend yield	0.0%	0.0%
Risk-free interest rate (based on government bonds)	1.75%	1.67%

Expected volatility has been based on an evaluation of historical volatility in the daily share price of comparable companies over the historical period commensurate with the expected term.

Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the Employee Share Option Scheme are as follows:

	Weighted average exercise price 2019	Number of options 2019	Weighted average exercise price 2018	Number of options 2018
Outstanding at the beginning of the year	\$0.39	6,200,000	\$0.39	6,200,000
Granted during the year	\$0.50	3,800,000	N/A	-
Forfeited during the year	\$0.45	(1,700,000)	N/A	-
Outstanding at the end of the year	\$0.43	<u>8,300,000</u>	\$0.39	<u>6,200,000</u>
Exercisable at the end of the year	N/A	<u>-</u>	N/A	<u>-</u>

29. Share-based payments (continued)

Reconciliation of outstanding call options

Details of the call options outstanding during the year are as follows:

	Weighted average exercise price 2019	Number of options 2019	Weighted average exercise price 2018	Number of options 2018
Outstanding at the beginning of the year	\$0.28	7,000,000	\$0.28	7,000,000
Granted during the year	N/A	-	N/A	-
Outstanding at the end of the year	\$0.28	7,000,000	\$0.28	7,000,000
Exercisable at the end of the year	\$0.28	7,000,000	\$0.28	7,000,000

30. Reclassifications and comparative figures

During the financial year, certain reclassifications have been made to the prior year's financial statements to enhance comparability with current year's financial statements. Accordingly, certain line items in statement of comprehensive income have been reclassified to conform with current year's presentation.

The items were reclassified as follow:

	After	Reclassifications Before	Difference
	\$	\$	\$
<u>2018 Statement of comprehensive income:</u>			
Raw materials and consumables	(16,503,953)	(13,468,976)	(3,034,977)
Fair value loss on biological assets	(565,570)	(1,123,507)	557,937
Distribution expenses	(545,279)	(281,237)	(264,042)
Administrative expenses	(5,935,279)	(8,676,361)	2,741,082

31. New or revised accounting standards and interpretations

Below are the mandatory standards and amendments and interpretations to existing standards that have been published and are relevant for the Group's accounting periods beginning on or after 1 January 2020 and which the Group has not early adopted.

Effective for annual periods beginning on or after 1 January 2020

- Amendments to SFRS(I) 3: Business Combinations – definition of a business
- Amendments to SFRS(I) 1-1 and SFRS(I) 1-8: Definition of material
- Amendments to Reference to the Conceptual Framework in SFRS(I) standards
- Amendments to illustrative examples, implementation guidance and SFRS(I) practice statements
- Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7: Interest Rate Benchmark Reform

31. New or revised accounting standards and interpretations (continued)

Effective for annual periods beginning on or after 1 June 2020

- Amendments to SFRS(I) 16: Covid-19-Related Rent Concessions

Effective for annual periods beginning on or after 1 January 2022

- Amendments to SFRS(I) 3: Reference to the Conceptual Framework
- Amendments to SFRS(I) 16: Property, plant and equipment - proceeds before intended use
- Amendments to SFRS(I) 1-37: Onerous Contracts—Cost of Fulfilling a Contract
- Annual Improvements to SFRS(I)s 2018-2020

Effective for annual periods beginning on or after 1 January 2023

- Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current
- Amendments to SFRS(I) 17 Insurance Contracts

Effective date: to be determined*

- Amendments to SFRS(I) 10 and SFRS(I) 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

* The mandatory effective date of this Amendment had been revised from 1 January 2016 to a date to be determined by the Accounting Standards Council Singapore (“ASC”) in December 2015 via Amendments to Effective Date of Amendments to FRS 110 and FRS 28.

32. Events occurring after balance sheet date

- a) On 16 December 2019, the Company entered into a Sale and Purchase Agreement (SPA) for purchase of 1,000,000 shares, representing 100% equity interest of Fassler Gourmet Pte Ltd (Fassler) for a cash consideration of \$4,200,000. The acquisition was completed on 2 January 2020.

On 22 July 2020, Fassler issued 6,326,531 new ordinary shares which the Company subscribed to 2,590,000 of shares Fassler for a cash consideration of \$253,820, decreasing its ownership from 100% to 49%.

- b) On 7 January 2020, the Company entered into a Sale and Purchase Agreement (SPA) for the purchase of 5,540,003 ordinary shares, representing 100% equity interest of Allegro Aqua Pte. Ltd. for a consideration of \$2,200,000 in cash and \$16,200,000 via allotment of 27,000,000 redeemable convertible preference shares (RCPS) of the Company.

On the same date, the Company entered into a side letter to the SPA dated 7 January 2020 (Side Letter) with Temasek Life Science Laboratory Limited (TLL) granting TLL an option, at any time during the period commencing on and from the 12 March 2020 (Completion Date) and ending on the date falling 180 days after the Completion Date, to invest between \$30,000,000 to \$45,000,000 in the Company by way of subscription for such number of additional ordinary shares in the Company, representing the investment amount, subject always to a valuation to be mutually agreed, referencing the last funding round and based on commercial reasonableness (Subscription Option).

32. Events occurring after balance sheet date (continued)

- c) On 11 March 2020, the World Health Organisation declared the Coronavirus (COVID-19) outbreak to be a pandemic in recognition of its rapid spread across the globe, with over 150 countries now affected. Many governments are taking increasingly stringent steps to help contain or delay the spread of the virus. Currently, there is a significant increase in economic uncertainty which is, for example, evidenced by more volatile asset prices and currency exchange rates.

Due to the uncertainty of the outcome of the current events, the Company cannot reasonably estimate the impact these events will have on the Company's financial position, results of operations or cash flows in the future. Management is proactively managing the Company's businesses, maintaining vigilance and will take the necessary actions to ensure their long-term sustainability.

- d) On 29 May 2020, the Company raised funds of \$8,203,652 by way of issuance of convertible loans to third parties and related parties.
- e) On 13 October 2020, the Company agreed to guarantee up to \$2,000,000 for banking facilities granted by United Overseas Bank Limited to Fassler Gourmet Pte Ltd.
- f) On 30 October 2020, the Company raised funds of \$1,180,000 by way of issuance of convertible loans to third parties and related parties.
- g) On 9 February 2021, the Company raised funds of \$12,455,726 by way of issuance of convertible loans to third parties and related parties. All agreements have been signed and funds received by the Company as at the date of these financial statements.

33. Authorisation of financial statements

These financial statements for the financial year ended 31 December 2019 were authorised for issued in accordance with a resolution of Board of Directors of Barramundi Asia Pte. Ltd. on 5 March 2021.

Appendix C – Annual financial statements of the Company for 2020

Barramundi Group Pte. Ltd.
(formerly known as Barramundi Asia Pte. Ltd.)
and its Subsidiary Corporations
(Incorporated in the Republic of Singapore)
(Company Registration No. 200722778K)

Annual Report for the Financial Year Ended
31 December 2020

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Barramundi Group Pte. Ltd. (formerly known as Barramundi Asia Pte. Ltd.) and its subsidiary corporations (the "Group") for the financial year ended 31 December 2020 and the balance sheet of the Company as at 31 December 2020.

In the opinion of the directors,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 8 to 68 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2020 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Andrew Kwan Kok Tiong
 Johannes Cornelis Antonius Den Bieman
 Sjoeborg Tristan Nenne
 Edward Averrill Ng Yong Sheng
 Dr Abdul Manaf Metussin
 Marit Solberg (Appointed on 4 June 2021)

Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the director of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share options" in this statement.

Directors' interests in shares or debentures

- (a) According to the register of director's shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in the name of director or nominee		Holdings in which a director is deemed to have an interest	
	At 31.12.2020	At 01.01.2020	At 31.12.2020	At 01.01.2020
The Company				
<u>(No. of ordinary shares)</u>				
Johannes Cornelis Antonius Den Bieman	4,077,312	4,077,312	-	-
Kleine Staarman Gerhard Heinrich Joseph	3,299,940	3,299,940	-	-
Sjoeborg Tristan Nenne	3,663,103	3,663,103	-	-
Andrew Kwan Kok Tiong	-	-	106,446,420	106,446,420

Directors' interests in shares or debentures (continued)

- (a) According to the register of director's shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows: (continued)

	Holdings registered in the name of director or nominee		Holdings in which a director is deemed to have an interest	
	At 31.12.2020	At 01.01.2020	At 31.12.2020	At 01.01.2020
<u>(No. of warrants)</u>				
Sjoberg Tristan Nenne	727,273	727,273	-	-
Andrew Kwan Kok Tiong	-	-	21,204,871	21,204,871
Johannes Cornelis Antonius Den Bieman	1,636,634	1,636,634	-	-
Immediate holding corporation: Barramundi Asia Holdings Pte. Ltd.				
<u>(No. of ordinary shares)</u>				
Johannes Cornelis Antonius Den Bieman	1,169,732	1,169,732	-	-
Andrew Kwan Kok Tiong	-	-	60,143,745	60,143,745
Sjoberg Tristan Nenne	185,972	185,972	-	-
Ultimate holding corporation: Commonwealth Harvests Pte. Ltd.				
<u>(No. of ordinary shares)</u>				
Johannes Cornelis Antonius Den Bieman	20,807	20,807	-	-
Andrew Kwan Kok Tiong	192,440	187,799	-	-
Sjoberg Tristan Nenne	7,843	7,843	-	-

- (b) According to the register of director's shareholdings, certain directors holding office at the end of the financial year had interests in options to subscribe for ordinary shares of the Company granted pursuant to the Employee Share Option Scheme and Perpetual Call Option as set out below and under "Share Options" below.

	No. of unissued ordinary shares under option	
	At 31.12.2020	At 01.01.2020
Employee Share Option Scheme		
Kleine Staarman Gerhard Heinrich Joseph	-	2,500,000
Johannes Cornelis Antonius Den Bieman	1,000,000	1,000,000
Perpetual Call Option		
Kleine Staarman Gerhard Heinrich Joseph	7,000,000	7,000,000

Share options

(a) Employee Share Option Scheme ("Scheme")

The Employee Share Option Scheme was approved by the Board through a Directors' Resolution passed on 1 January 2017, providing a means to give recognition to employees who have contributed to the success and continued well-being of the Company and let them have a direct interest in the Company at no direct cost to its profitability. The Scheme shall continue in effect for a term of 6 years unless amended, altered, suspended or terminated by the Board of Directors.

Under the Scheme, options to subscribe for the ordinary shares of the Company are granted to employees at the sole discretion of the Board of Directors. The exercise price of the option is determined at the time of the grant with reference to its fair market value under the conditions of the Scheme and approved by the Board of Directors. The option may be exercised in full or in part in respect thereof, on the Company's acceptance of the exercise notice, payment of the exercise price and in accordance with the vesting schedule under the conditions of the Scheme, but no later than the expiry date. The vesting of the option commences on the 3rd anniversary and expires on the 6th anniversary of the date of the option, or such date as the Board of Directors may determine.

(b) Perpetual Call Option

On 1 January 2017, the Company has agreed to grant Kleine Staarman Gerhard Heinrich Joseph the option to purchase all or any of the 7,000,000 ordinary shares of the Company. This option is a one-off issue outside the Employee Share Option Scheme and may be exercised at any time without an expiry date.

(c) Share options outstanding

The number of unissued ordinary shares of the Company under option in relation to the Schemes outstanding at the end of the financial year was as follows:

Year option granted	Exercise price per share (\$)	Options outstanding at 1 January 2020	Options granted during the year	Options cancelled during the year	Options outstanding at 31 December 2020	Year of expiry
Employee Share Option Scheme						
2017	0.39	5,500,000	-	(4,800,000)	700,000	2022
2019	0.50	2,800,000	-	-	2,800,000	2024
2020	0.50	-	1,000,000	-	1,000,000	2025
2020	0.39	-	2,500,000	-	2,500,000	2025
Perpetual Call Option						
2017	0.28	7,000,000	-	-	7,000,000	-

Barramundi Group Pte. Ltd.
(formerly known as Barramundi Asia Pte. Ltd.)
and its Subsidiary Corporations
Annual Report

Directors' Statement
For the Financial Year Ended 31 December 2020

Independent auditor

The independent auditor, Nexia TS Public Accounting Corporation, has expressed its willingness to accept reappointment.

On behalf of the Board of Directors

Tristan Nenne Sjoeberg
.....
Sjoeberg Tristan Nenne
Director

Andrew Kwan Kok Tiong
.....
Andrew Kwan Kok Tiong
Director

8 June 2021

**Independent Auditor's Report to the Members of
Barramundi Group Pte. Ltd.
(formerly known as Barramundi Asia Pte. Ltd.)**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Barramundi Group Pte. Ltd. (formerly known as Barramundi Asia Pte. Ltd.) (the "Company") and its subsidiary corporations (the "Group"), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2020, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 8 to 68.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 4.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Independent Auditor's Report to the Members of
Barramundi Group Pte. Ltd.
(formerly known as Barramundi Asia Pte. Ltd.)
(continued)**

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. 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.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude 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 Group'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 the Group to cease to continue as a going concern.

**Independent Auditor's Report to the Members of
Barramundi Group Pte. Ltd.
(formerly known as Barramundi Asia Pte. Ltd.)
(continued)**

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.



**Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants**

Singapore

8 June 2021

Barramundi Group Pte. Ltd.
(formerly known as Barramundi Asia Pte. Ltd.)
and its Subsidiary Corporations
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Consolidated Statement of Comprehensive Income
For the Financial Year Ended 31 December 2020

	Note	2020 \$	2019 \$
Revenue	4	28,363,590	23,052,340
Other income	5	4,298,974	2,203,651
Raw materials and consumables		(21,548,576)	(23,330,331)
Farm personnel expenses		(7,990,463)	(6,094,678)
Fair value gain/(loss) on biological assets	13	4,256,197	(5,821,909)
Fish mortalities	13	(2,511,709)	(7,670,729)
Depreciation expenses	15	(3,216,843)	(2,831,079)
Amortisation expenses	17	(542,872)	(306,591)
Impairment loss of property, plant and equipment	15	-	(1,030,658)
Administrative expenses		(5,654,408)	(7,939,550)
Distribution expenses		(2,285,932)	(818,121)
Finance expenses	8	(2,045,922)	(1,654,623)
Loss before tax		(8,877,964)	(32,242,278)
Income tax credit	9	127,292	1,128,231
Net loss for the financial year		<u>(8,750,672)</u>	<u>(31,114,047)</u>
Other comprehensive (loss)/income:			
Items that may be reclassified subsequently to profit or loss:			
- Currency translation (loss)/gain on translating foreign operations		(795,770)	118,519
Total comprehensive loss for the financial year		<u>(9,546,442)</u>	<u>(30,995,528)</u>
(Loss)/profit attributable to:			
Owners of the Company		(8,809,244)	(31,114,047)
Non-controlling interests		58,572	-
		<u>(8,750,672)</u>	<u>(31,114,047)</u>
Total comprehensive (loss)/income attributable to:			
Owners of the Company		(9,605,014)	(30,995,528)
Non-controlling interests		58,572	-
		<u>(9,546,442)</u>	<u>(30,995,528)</u>

The accompanying notes form an integral part of these financial statements.

Barramundi Group Pte. Ltd.
(formerly known as Barramundi Asia Pte. Ltd.)
and its Subsidiary Corporations
Annual Report

Balance Sheets
As at 31 December 2020

		Group	
	Note	31 Dec 2020	31 Dec 2019
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	10	29,327,259	27,176,419
Trade and other receivables	11	6,408,439	4,234,860
Inventories	12	1,966,222	716,786
Biological assets	13	<u>21,883,238</u>	<u>16,557,399</u>
		<u>59,585,158</u>	<u>48,685,464</u>
Non-current assets			
Property, plant and equipment	15	24,916,033	16,354,008
Intangible assets	17	14,239,683	6,145,431
Biological assets	13	1,049,366	104,456
Other assets		330,108	-
Deferred income tax assets	22	<u>2,604,377</u>	<u>2,023,137</u>
		<u>43,139,567</u>	<u>24,627,032</u>
Total assets		<u>102,724,725</u>	<u>73,312,496</u>
LIABILITIES			
Current liabilities			
Trade and other payables	18	20,496,590	6,463,210
Employee benefits		525,210	400,471
Borrowings	19	17,410,568	15,996,335
Deferred capital grants	20	<u>127,999</u>	<u>127,925</u>
		<u>38,560,367</u>	<u>22,987,941</u>
Non-current liabilities			
Employee benefits		112,854	128,776
Borrowings	19	24,945,798	7,860,652
Deferred capital grants	20	5,244,249	309,112
Provision for reinstatement	21	55,980	55,980
Deferred income tax liabilities	22	<u>3,958,100</u>	<u>3,175,153</u>
		<u>34,316,981</u>	<u>11,529,673</u>
Total liabilities		<u>72,877,348</u>	<u>34,517,614</u>
Net assets		<u>29,847,377</u>	<u>38,794,882</u>
EQUITY			
Share capital	23	105,154,252	105,259,252
Other reserves	24	79,024	4,735,231
Accumulated losses		(79,403,214)	(71,199,601)
Non-controlling interests		<u>4,017,315</u>	<u>-</u>
Total equity		<u>29,847,377</u>	<u>38,794,882</u>

The accompanying notes form an integral part of these financial statements.

Barramundi Group Pte. Ltd.
(formerly known as Barramundi Asia Pte. Ltd.)
and its Subsidiary Corporations
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Balance Sheets
As at 31 December 2020

	Note	Company	
		31 Dec 2020	31 Dec 2019
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	10	9,594,144	9,001,140
Trade and other receivables	11	38,651,627	29,152,368
Inventories	12	160,740	314,140
Biological assets	13	7,065,846	4,988,846
		<u>55,472,357</u>	<u>43,456,494</u>
Non-current assets			
Investments in subsidiary corporations	14	36,923,544	19,820,723
Property, plant and equipment	15	7,857,173	8,296,718
Intangible assets	17	15,300	15,300
Biological assets	13	238,827	-
Trade and other receivables	11	8,719,950	7,514,069
		<u>53,754,794</u>	<u>35,646,810</u>
Total assets		<u>109,227,151</u>	<u>79,103,304</u>
LIABILITIES			
Current liabilities			
Trade and other payables	18	16,266,869	1,774,913
Borrowings	19	18,129,724	13,516,678
Deferred capital grants	20	75,290	75,290
		<u>34,471,883</u>	<u>15,366,881</u>
Non-current liabilities			
Borrowings	19	9,780,263	102,242
Deferred capital grants	20	5,098,430	110,586
		<u>14,878,693</u>	<u>212,828</u>
Total liabilities		<u>49,350,576</u>	<u>15,579,709</u>
Net assets		<u>59,876,575</u>	<u>63,523,595</u>
EQUITY			
Share capital	23	105,154,252	105,259,252
Other reserves	24	4,730,554	4,998,428
Accumulated losses		(50,008,231)	(46,734,085)
Total equity		<u>59,876,575</u>	<u>63,523,595</u>

The accompanying notes form an integral part of these financial statements.

Barramundi Group Pte. Ltd.
(formerly known as Barramundi Asia Pte. Ltd.)
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Annual Report

Consolidated Statement of Changes in Equity
For the Financial Year Ended 31 December 2020

	Attributable to equity holders of the Group			Total	Non-controlling interests	Total equity
	Share capital	Other reserves	Accumulated losses			
	\$	\$	\$	\$	\$	\$
2020						
Beginning of financial year	105,259,252	4,735,231	(71,199,601)	38,794,882	-	38,794,882
Total comprehensive loss for the year:						
(Loss)/Profit for the year	-	-	(8,809,244)	(8,809,244)	58,572	(8,750,672)
Other comprehensive loss	-	(795,770)	-	(795,770)	-	(795,770)
	-	(795,770)	(8,809,244)	(9,605,014)	58,572	(9,546,442)
Transactions with owners, recognised directly in equity:						
Cancellation of shares	(105,000)	-	-	(105,000)	-	(105,000)
Employee share option scheme	-	(267,874)	605,631	337,757	-	337,757
Dilution of interests in subsidiary without loss of control	-	(3,592,563)	-	(3,592,563)	3,958,743	366,180
End of financial year	105,154,252	79,024	(79,403,214)	25,830,062	4,017,315	29,847,377
2019						
Beginning of financial year	66,653,500	4,326,327	(40,085,554)	30,894,273	-	30,894,273
Total comprehensive loss for the year:						
Loss for the year	-	-	(31,114,047)	(31,114,047)	-	(31,114,047)
Other comprehensive income	-	118,519	-	118,519	-	118,519
	-	118,519	(31,114,047)	(30,995,528)	-	(30,995,528)
Transactions with owners, recognised directly in equity:						
Issuance of new shares	38,605,752	-	-	38,605,752	-	38,605,752
Employee share option scheme	-	290,385	-	290,385	-	290,385
End of financial year	105,259,252	4,735,231	(71,199,601)	38,794,882	-	38,794,882

The accompanying notes form an integral part of these financial statements.

Barramundi Group Pte. Ltd.
(formerly known as Barramundi Asia Pte. Ltd.)
and its Subsidiary Corporations
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Consolidated Statement of Cash Flows
For the Financial Year Ended 31 December 2020

	2020	2019
	\$	\$
Cash flows from operating activities		
Loss before tax	(8,877,964)	(32,242,278)
Adjustments for:		
- Fair value adjustment on biological assets	(4,256,197)	5,821,909
- Amortisation of government grant	(127,923)	(127,999)
- Depreciation of		
- property, plant and equipment and right-of-use assets	3,216,843	2,831,079
- biological assets	85,495	-
- Impairment of property, plant and equipment	-	1,030,658
- Property, plant and equipment written-off	34,219	68,917
- Amortisation of intangible assets	542,872	306,591
- Employee share option expenses	337,757	290,385
- Interest expense	2,045,922	1,654,623
- Interest income	(255,586)	(254,795)
- Provision for employee benefits	70,321	129,672
- Gain on bargain purchase	(1,283,470)	-
	<u>(8,467,711)</u>	<u>(20,491,238)</u>
Changes in working capital:		
- Biological assets	(404,398)	7,584,837
- Inventories	(119,126)	974,638
- Trade and other receivables	(115,303)	3,617,637
- Trade and other payables	586,282	(1,332,553)
Cash used in operations, representing net cash used in operating activities	<u>(8,520,256)</u>	<u>(9,646,679)</u>
Cash flows from investing activities		
Acquisition of a subsidiary, net of cash acquired	(3,637,400)	-
Additions to property, plant and equipment	(3,625,462)	(2,901,513)
Interest income received	255,586	254,795
Net cash used in investing activities	<u>(7,007,276)</u>	<u>(2,646,718)</u>

The accompanying notes form an integral part of these financial statements.

Barramundi Group Pte. Ltd.
(formerly known as Barramundi Asia Pte. Ltd.)
and its Subsidiary Corporations
Annual Report

Consolidated Statement of Cash Flows
For the Financial Year Ended 31 December 2020

	2020	2019
	\$	\$
Cash flows from financing activities		
(Payments from cancellation)/Proceeds from issuance of ordinary shares	(105,000)	38,605,752
Proceeds from/(Repayment of) borrowings	15,775,189	(3,015,686)
Principal payment of lease liabilities	(1,445,313)	(1,616,556)
Decrease/(Increase) in fixed deposit pledged	5,132,530	(66,366)
Interest paid	(2,045,922)	(1,582,548)
Capital contribution from non-controlling interests	366,180	-
Proceeds from capital grants	5,063,134	-
Net cash provided by financing activities	<u>22,740,798</u>	<u>32,324,596</u>
Net increase in cash and cash equivalents	7,213,266	20,031,199
Cash and cash equivalents		
Beginning of the financial year	22,043,889	1,432,003
Effects of currency translation on cash and cash equivalents	70,104	580,687
End of the financial year	<u>29,327,259</u>	<u>22,043,889</u>

Reconciliation of liabilities arising from financing activities

	1 January 2020	Financing cash flows ¹	Non-cash changes		31 December 2020
			Addition during the year	Foreign exchange movement	
	\$	\$	\$	\$	\$
Loans and borrowings	20,381,924	15,775,189	2,051,821	619,349	38,828,283
Lease liabilities	3,475,063	(1,445,313)	1,047,738	450,595	3,528,083

	31 December 2018	Initial adoption of SFRS(I) 16	1 January 2019	Financing cash flows ¹	Non-cash changes		31 December 2019
					Addition during the year	Foreign exchange movement	
	\$	\$	\$	\$	\$	\$	\$
Loans and borrowings	25,105,765	(3,057,538)	22,048,227	(3,015,686)	1,586,410	(237,027)	20,381,924
Lease liabilities	-	4,874,720	4,874,720	(1,616,556)	370,279	(153,380)	3,475,063

The cash flows comprise the net amount of proceeds from borrowings and repayments of borrowings in the consolidated statement of cash flows.

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Barramundi Group Pte. Ltd. (formerly known as Barramundi Asia Pte. Ltd.) (“the Company”) is incorporated and domiciled in Singapore. The address of its registered office is 35 Fishery Port Road, 116 New Fish Merchant Building, Singapore 619742.

The principal activities of the Company are those of commercial farming, distribution and sale of sea water barramundi. The principal activities of the subsidiary corporations are disclosed in Note 14.

With effect from 6 April 2021, the name of the Company was changed from Barramundi Asia Pte. Ltd. to Barramundi Group Pte. Ltd.

The Company’s immediate holding corporation is Barramundi Asia Holdings Pte. Ltd., incorporated in Singapore. The ultimate holding corporation is Commonwealth Harvests Pte. Ltd., incorporated in Singapore.

Coronavirus (COVID-19) Impact

On 30 January 2020, the World Health Organisation declared the outbreak a Public Health Emergency of International Concern. The outbreak was subsequently characterised as a pandemic on 11 March 2020.

In response to the pandemic, governments from different countries around the world have implemented containment measures to varying degrees in a bid to curb the spread of the virus. As a result, there has been disruption to global trade due to restrictions for cross-border movement, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Group’s significant operations are in Singapore and Australia, both of which have been affected by the spread of COVID-19 in 2020.

Set out below is the impact of COVID-19 on the Group’s financial performance reflected in this set of financial statements for the financial year ended 31 December 2020:

- The Group has assessed that the going concern basis of preparation for this set of financial statements remain appropriate.
- In 2020, border closures, production stoppages and workplace closures have resulted in periods where the Group’s operations were temporarily suspended to adhere to the respective governments’ movement control measures. These have negatively impacted business production and volume in 2020, resulting in a negative impact on the Group’s financial performance for 2020.
- The Group has considered the market conditions (including the impact of COVID-19) as at the balance sheet date, in making estimates and judgements on the recoverability of assets and provisions for onerous contracts as at 31 December 2020.

Continuous assessment is made for each reporting period on whether there is any indication that the Group’s assets and liabilities may be impacted adversely. If any such indication of uncertainties exists, an estimate is made of the fair value of the account balances.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below. SFRS(I)s comprise Standards and Interpretations that are equivalent to international Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB).

The preparation of these financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements are disclosed in Note 3.

The financial statements have been prepared on a going concern basis which contemplates that the Group will be able to pay its debts as and when they fall due and payable and realise its assets and extinguish its liabilities in the ordinary course of business and at the amounts included the financial statements.

During the financial year ended 31 December 2020, the Group recorded a net loss before tax for the year of \$8,877,964 (31 December 2019: \$32,242,278) and net cash used in operating activities of \$8,520,256 (31 December 2019: \$9,646,679). The Group's financial results were impacted by biological asset losses of approximately \$8.6 million (AUD\$9.1 million) due to the outbreak of an algae bloom in the previous financial year. These events and conditions indicate the existence of material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern.

Notwithstanding the above, in ensuring sufficient and adequacy of funds to meet its debt obligations and working capital, management has been considering or is in the process of putting in place several measures, one of which is that the Company had in February 2021 and April 2021 successfully fundraised approximately \$15 million (Note 31) by way of convertible loans. Management has prepared and presented a 12 months cash flow forecast to the Board of Directors which demonstrates that the Group will have sufficient funds available to continue as a going concern for at least the next 12 months.

Accordingly, the directors believe the use of the going concern assumption in preparing these financial statements is appropriate.

Interpretations and amendments to published standards effective in 2020

On 1 January 2020, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2 Significant accounting policies (continued)

2.2 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring promised goods or services to the customer, which is when the customer obtains control of the goods or services. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Sales of goods and services

Revenue from sale of goods and services in the ordinary course of business is recognised at a point in time when the Group satisfies its performance obligation (PO) by transferring the control of the promised goods or services to the customer, which is when the goods are delivered to the destination specified by the customer, typically based on incoterms specified in the contract. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and/or services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

(b) Interest income

Interest income, including income arising from financial instruments, is recognised using the effective interest method.

2.3 Government grant

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are presented in the balance sheet as deferred income and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

2 Significant accounting policies (continued)

2.4 Group accounting (continued)

Subsidiary corporations

(i) *Consolidation*

Subsidiary corporations are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary corporations are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiary corporations have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary corporation's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) *Acquisitions*

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary corporation or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to the paragraph "Intangible assets – Goodwill" for the subsequent accounting policy on goodwill.

2 Significant accounting policies (continued)

2.4 Group accounting (continued)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary corporation results in a loss of control over the subsidiary corporation, the assets and liabilities of the subsidiary corporation including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiary corporations" for the accounting policy on investments in subsidiary corporations in the separate financial statements of the Company.

2.5 Property, plant and equipment

(a) Measurement

(i) Leasehold property

Leasehold property is initially recognised at cost. It is subsequently carried at the revalued amount less accumulated depreciation and accumulated impairment losses.

Leasehold property is revalued by independent professional valuers on a triennial basis and whenever their carrying amounts are likely to differ materially from their revalued amounts. When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset.

Increases in carrying amounts arising from revaluation, including currency translation differences, are recognised in other comprehensive income and accumulated in equity, unless they reverse a revaluation decrease of the same asset previously recognised in profit or loss. In this case, the increase is recognised in profit or loss. Decreases in carrying amounts are recognised in other comprehensive income to the extent of any credit balance existing in the equity in respect of that asset and reduces the amount accumulated in equity. All other decreases in carrying amounts are recognised in profit or loss.

(ii) Other property, plant and equipment

All other items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(iii) Components of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2 Significant accounting policies (continued)

2.5 Property, plant and equipment (continued)

(b) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Leasehold improvements	5 - 20 years
Plant, equipment and boats	3 - 20 years
Nets, cages and moorings	10 - 40 years
Office and computer equipment	3 - 10 years
Motor vehicles	5 years
Leasehold land, sea and buildings	2 - 30 years
Leasehold property	30 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "administrative expenses". Any amount in revaluation reserve relating to that item is transferred to accumulated losses directly.

2.6 Intangible assets

(a) Goodwill

Goodwill on acquisitions of subsidiary corporations and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiary corporations is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Gains and losses on the disposal of subsidiary corporations include the carrying amount of goodwill relating to the entity sold.

2 Significant accounting policies (continued)

2.6 Intangible assets (continued)

(b) Acquired trademarks

Trademarks acquired from business acquisition are capitalised at fair value at the date of acquisition. After initial recognition, the acquired trademarks are carried at cost less accumulated amortisation and any accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 12.4 years, which is the shorter of their estimated useful lives and periods of contractual rights.

The amortisation period and amortisation method of intangible assets other than goodwill are reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Club memberships

Club memberships relate to the entrance fees paid for the right to use the facilities of the clubs. Club membership is measured on initial recognition at cost. The cost of club memberships is the fair value as at the date of acquisition. Subsequent to recognition, club memberships are carried at cost less any accumulated impairment losses.

Club memberships with indefinite useful lives are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such club memberships are not amortised. The useful life of a club membership with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arises from de-recognition of club memberships are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

2.7 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.8 Investment in subsidiary corporations

Investments in subsidiary corporations are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2 Significant accounting policies (continued)

2.9 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Intangible assets *Property, plant and equipment* *Investments in subsidiary corporations*

Intangible assets, property, plant and equipment and investments in subsidiary corporations are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating units ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

2 Significant accounting policies (continued)

2.10 Financial assets

(a) Classification and measurement

The Group classifies and measures its financial assets at amortised cost. The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, transaction costs that are directly attributable to the acquisition of the financial asset.

At subsequent measurement

Debt instrument

Debt instruments mainly comprise of cash and cash equivalents and trade and other receivables.

The following is the prescribed subsequent measurement category, depending on the Group's business model in managing the assets and the cash flow characteristics of the assets.

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method.

(b) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 27 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For cash and bank deposits and other receivables, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

2 Significant accounting policies (continued)

2.10 Financial assets (continued)

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.12 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

(a) Borrowings

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(b) Convertible loans

The total proceeds from convertible loans issued are allocated to the liability component and the equity component, which are separately presented on the balance sheet.

The liability component is recognised initially at its fair value, determined using a market interest rate for equivalent non-convertible loans. It is subsequently carried at amortised cost using the effective interest method until the liability is extinguished on conversion or redemption of the bonds.

The difference between the total proceeds and the liability component is allocated to the conversion option (equity component), which is presented in equity net of any deferred tax effect. The carrying amount of the conversion option is not adjusted in subsequent periods. When the conversion option is exercised, its carrying amount is transferred to the share capital. When the conversion option lapses, its carrying amount is transferred to retained profits.

2 Significant accounting policies (continued)

2.13 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

Redeemable convertible preference shares

Preference shares capital which are mandatory redeemable on a specific date are classified as financial liabilities. The dividends on these preference shares are recognised as finance expenses.

2.14 Leases

When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- **Right-of-use assets**

The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets are presented within "Property, plant and equipment".

- **Lease liabilities**

The initial measurement of a lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees
- The exercise price of a purchase option if is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

2 Significant accounting policies (continued)

2.14 Leases (continued)

When the Group is the lessee: (continued)

- Lease liabilities (continued)

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use assets, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

- Short-term and low-value leases

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

2.15 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of inventories includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses. The amount of any write-down of inventories to net realizable value shall be recognised as an expense in the period the write-down occurs. The amount of any reversal of write-down of inventories, arising from an increase in net realizable value, shall be recognised as a reduction in the amount of inventories recognised or an expense in the period in which the reversal occurs.

2.16 Biological assets

The Group's biological assets comprise of a) live fish that are divided into two main groups, depending on the stage of the life cycle and b) broodstock. At the earlier stage of the life cycle, the fish are classified in group (1) immature fish in land nursery at cost. During this stage, the fish are kept on shore. When the fish are large enough for release to sea, they are classified in group (2) fish at sea. Fish at sea can be further divided into mature fish at sea at fair value and immature fish at sea at cost. The Group considers live fish weighing more than 500grams to have an active and established market. These fish are classified as mature fish at sea at fair value, while fish that have not yet achieved this weight are classified as immature fish at sea at cost.

Mature live fish at sea at fair value are carried at fair value less estimated point-of-sale costs (harvesting costs and transport costs). The Group estimates the fair value of live fish based on the biomass at sea for each location and observed market prices for harvested fish at the balance sheet date in the respective markets in which the Group operates. The observed market prices are based on historical selling prices. The adjustment for point-of-sale costs is based on the Group's historical costs per location. The difference between the fair values of the biological assets and the carrying amounts at the end of the period is recognised as a fair value adjustment in profit or loss.

2 Significant accounting policies (continued)

2.16 Biological assets (continued)

Immature live fish at sea at cost could have production cost per kilogram (kg) higher than market prices per kg for harvested fish. If this is the case the fish is carried at the higher of the two if it is reasonable that the production cost will be fully covered through further farming and later sale. If further growth and sale is not expected to cover the cost of production, the fish is carried at the estimated value based on market prices.

The income or loss which will be recognised on sale may differ materially from that implied by the fair value adjustment at the end of a period. The fair value adjustment on biological assets has no cash impact and does not affect the results of operations before unrealised fair value adjustments.

Write-downs of biological assets occur due to mortality, which are expensed to profit or loss.

Broodstock is stated at cost less accumulated depreciation and any impairment losses. Broodstock is depreciated on a straight-line basis over their estimated useful lives of 9 years.

2.17 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2 Significant accounting policies (continued)

2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised in the statement of comprehensive income as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.19 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Share-based payments

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date.

At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognise the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to the share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

(c) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

2 Significant accounting policies (continued)

2.20 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (“functional currency”). The financial statements are presented in Singapore Dollars (“\$”), which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency (“foreign currency”) are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within “finance expense”. All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within “administrative expenses”.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities’ financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2 Significant accounting policies (continued)

2.21 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheet. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.22 Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

Preference share capital

Preference share capital is classified as equity if it is non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary. Discretionary dividends thereon are recognised as distributions within equity upon approval by the Company's shareholders.

Preference share capital is classified as a financial liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Non-discretionary dividends thereon are recognised as interest expense in profit or loss as accrued.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

(a) Estimated impairment of goodwill

In performing the impairment assessment of the carrying amount of goodwill, as disclosed in Note 17, the recoverable amounts of the cash-generating units ("CGUs"), in which goodwill has been attributable to, are determined using value-in-use ("VIU") calculation. These calculations require estimates and assumptions (Note 17).

The sensitivity analysis on the key assumptions applied in the calculations are disclosed in Note 17 to the financial statements.

(b) Purchases price allocation

On 2 January 2020, the Company acquired 100% equity interest in Fassler Gourmet Pte. Ltd. ("Fassler"). On 22 July 2020, Fassler allotted and issued new shares, of which the Company and an affiliated company subscribed. Consequently, the equity interest of the Company decreased from 100% to 49%. On 12 March 2020, the Company acquired 100% equity interest in Allegro Aqua Pte. Ltd.. Purchase price allocation exercise arising from these transactions requires a significant amount of management estimation, particularly in relation to the identification and valuation of intangible assets and assignment of their useful lives. The Group's disclosure on the above is set out in Note 27.

4. Revenue

Revenue represents sales of goods and services and is recognised at a point in time.

	Group	
	2020	2019
	\$	\$
Sales of goods	28,363,590	23,009,958
Services rendered	-	42,382
	<u>28,363,590</u>	<u>23,052,340</u>

5. Other income

	Group	
	2020	2019
	\$	\$
Interest income from bank deposits	255,586	254,795
Amortisation of capital grants	127,923	127,999
Insurance claim funds	-	1,368,549
Grants received ⁽¹⁾	1,439,550	363,915
Net foreign exchange gain	1,023,872	-
Gain on bargain purchase (Note 27)	1,283,470	-
Others	168,573	88,393
	<u>4,298,974</u>	<u>2,203,651</u>

2020

⁽¹⁾ Grant income of \$645,835 was recognised during the financial year under the Jobs Support Scheme (the "JSS"). The JSS is a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. Under the JSS, employers will receive cash grants in relation to the gross monthly wages of eligible employees.

Grant income of \$729,000 was recognised during the financial year under the Jobkeeper Grant. The Jobkeeper Grant is a program introduced in Australia, which broadly comprises a wage subsidy to help businesses keep staff employed. Under the Jobkeeper Grant, eligible employers will receive cash grants in relation to the wages of eligible employees.

2019

⁽¹⁾ Global Company Partnership-Grant was introduced under International Enterprise Singapore Board to help businesses defray eligible costs of their overseas expansion projects in capability building, market access and manpower development.

6. Loss before tax

The Group's loss before income tax is arrived at after charging the following:

	Group	
	2020	2019
	\$	\$
Employee compensation (Note 7)	13,572,110	10,192,723
Advertisement and promotion	236,429	568,972
Net foreign exchange loss	-	542,228
Legal and professional fees	443,015	583,069
Property, plant and equipment written-off	<u>34,219</u>	<u>68,917</u>

7. Employee compensation

	Group	
	2020	2019
	\$	\$
Wages and salaries	10,465,235	8,238,491
Employer's contribution to defined contribution plans	256,743	310,846
Share-based payments	337,757	290,385
Other benefits	<u>2,512,375</u>	<u>1,353,001</u>
	<u>13,572,110</u>	<u>10,192,723</u>

8. Finance expense

	Group	
	2020	2019
	\$	\$
Interest expenses:		
- Bank borrowings	1,046,082	456,605
- Lease liabilities	306,207	349,393
- Convertible loans	<u>693,633</u>	<u>848,625</u>
	<u>2,045,922</u>	<u>1,654,623</u>

9. Income tax credit

	Group	
	2020	2019
	\$	\$
Tax credit attributable to loss is made up of:		
- Deferred income tax (Note 22)	127,292	1,158,216
Under provision in prior financial years		
- Deferred income tax (Note 22)	-	(29,985)
	<u>127,292</u>	<u>1,128,231</u>

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group	
	2020	2019
	\$	\$
Loss before tax	<u>(8,877,964)</u>	<u>(32,242,278)</u>
Tax calculated at tax rate of 17% (2019: 17%)	(1,509,254)	(5,481,187)
- Different tax rates in other countries	(688,604)	(2,356,592)
- Expenses not deductible for tax purposes	1,885,892	2,182,417
- Tax incentives	(15,000)	-
- Income not subject to tax	(573,000)	(5,623)
- Change in unrecognised temporary differences	931,219	4,511,103
- Under provision of tax in prior financial years	-	29,985
- Utilisation of unrecognised tax losses	(179,219)	-
- Others	20,674	(8,334)
	<u>(127,292)</u>	<u>(1,128,231)</u>

10. Cash and cash equivalents

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Cash at bank and on hand	13,360,354	6,958,676	9,594,144	3,868,610
Short-term bank deposits	15,966,905	20,217,743	-	5,132,530
	<u>29,327,259</u>	<u>27,176,419</u>	<u>9,594,144</u>	<u>9,001,140</u>

10. Cash and cash equivalents (continued)

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2020	2019
	\$	\$
Cash and bank balances (as above)	29,327,259	27,176,419
Less: Short-term deposits pledged	-	(5,132,530)
Cash and cash equivalents per consolidated statement of cash flows	<u>29,327,259</u>	<u>22,043,889</u>

Bank deposits are pledged in relation to the security granted for certain borrowings (Note 19).

11. Trade and other receivables

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
<u>Current</u>				
Trade receivables:				
- Non-related parties	3,783,009	2,598,411	1,324,529	1,499,391
- Affiliated company of the Group	69,281	26,306	52,334	26,306
- Subsidiary corporations	-	-	1,143,944	766,076
	<u>3,852,290</u>	<u>2,624,717</u>	<u>2,520,807</u>	<u>2,291,773</u>
Less: Loss allowance	(91,683)	-	(28,361)	-
	<u>3,760,607</u>	<u>2,624,717</u>	<u>2,492,446</u>	<u>2,291,773</u>
Other receivables:				
- Non-related parties	467,784	999,253	163,932	345,597
- Ultimate holding company	-	7,266	-	7,266
- Subsidiary corporations	-	-	35,873,360	26,632,876
	<u>467,784</u>	<u>1,006,519</u>	<u>36,037,292</u>	<u>26,985,739</u>
Less: Loss allowance	-	-	(1,276,473)	(1,276,473)
	<u>467,784</u>	<u>1,006,519</u>	<u>34,760,819</u>	<u>25,709,266</u>
Advances to customers	11,932	-	-	-
Deposits	613,661	485,022	355,076	325,077
Prepayments	1,554,455	118,602	1,043,286	826,252
	<u>6,408,439</u>	<u>4,234,860</u>	<u>38,651,627</u>	<u>29,152,368</u>
<u>Non-current</u>				
Other receivables – subsidiary corporation	-	-	8,719,950	7,514,069

Trade and other receivables to ultimate holding corporation, subsidiary corporations and affiliated company of the Group are unsecured, interest-free and repayable on demand.

The loan to a subsidiary is unsecured. Loan amounting to S\$8,719,950 (2019: S\$7,514,069) is repayable in full by 14 September 2023. Interest is fixed at 10% (2019: 10%) per annum.

12. Inventories

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Finished goods, at cost	1,474,996	267,289	31,395	73,023
Finished goods, at net realisable value	218,450	120,672	-	-
Feed and medication, at cost	272,776	328,825	129,345	241,117
	<u>1,966,222</u>	<u>716,786</u>	<u>160,740</u>	<u>314,140</u>

The cost of inventories recognised as an expense and included in "raw materials and consumables" amounted to \$12,052,277 (2019: \$2,167,424).

There is no write down of inventories during the financial year ended 31 December 2020 and 31 December 2019.

13. Biological assets

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Mature fish at sea at fair value	21,873,722	16,553,549	7,065,846	4,984,996
Immature fish at sea at cost	222,887	108,306	139,848	3,850
Immature fish in nursery at cost	108,495	-	98,979	-
Broodstock	727,500	-	-	-
	<u>22,932,604</u>	<u>16,661,855</u>	<u>7,304,673</u>	<u>4,988,846</u>

Reconciliation of carrying amounts of biological assets

At the beginning of the year	16,661,855	30,631,267	4,988,846	11,888,906
Acquisition through business combination (Note 27)	812,995	-	-	-
Fish mortalities	(2,511,709)	(7,670,729)	(812,334)	(1,700,638)
Cost of fingerlings, feed and medication	11,345,571	9,921,507	2,961,672	2,953,125
Cost of fish harvested	(8,514,959)	(9,835,615)	(1,754,456)	(2,885,172)
Fair value adjustment on biological assets	4,256,197	(5,821,909)	1,920,945	(5,267,375)
Exchange rate movement	882,654	(562,666)	-	-
At the end of the year	<u>22,932,604</u>	<u>16,661,855</u>	<u>7,304,673</u>	<u>4,988,846</u>

At 31 December 2020, the Group and the Company held 2,278,757kg and 561,757kg (2019: 2,181,126kg and 561,126kg) of fish in cages at sea respectively.

13. Biological assets (continued)

Broodstock

	Group 2020 \$
Cost	
Beginning of financial year	-
Acquisition through business combinations (Note 27)	970,000
End of financial year	<u>970,000</u>
Accumulated depreciation	
Beginning of financial year	-
Acquisition through business combinations (Note 27)	157,005
Depreciation charge	85,495
End of financial year	<u>242,500</u>
Book value	
End of financial year	<u><u>727,500</u></u>

Impact from Algae Bloom

During the 2019 financial year, a subsidiary, Marine Produce Australia Pty Ltd ("MPA") experienced a natural event in the form of an algae bloom in February 2019 which had a significant impact on its fish biomass at the farm and business operations.

As a result of the event, MPA lost over 45% of its biomass, the majority of which is fish of harvestable and near-harvestable size with fair value of approximately \$8.6 million (AUD 9.1 million). Given that the growth period of the fish to harvestable size is approximately 2 years, MPA's sales revenue and cash are impacted from the substantial reduction in biomass in respect of fish available for sale of up to approximately \$19 million (AUD 20 million) over the 2 year period.

MPA has since implemented an algae bloom risk mitigation plan to minimise the risk and potential impact of any recurrence of a similar event as it rebuilds its farm's biomass in 2020 and 2021.

14. Investments in subsidiary corporations

	Company	
	2020	2019
	\$	\$
Equity investments at cost		
At the beginning of financial year	19,820,723	19,819,724
Addition	17,102,821	999
At end of the financial year	36,923,544	19,820,723

2020

On 2 January 2020, the Company completed the acquisition of 100% equity interest in Fassler Gourmet Pte. Ltd. ("Fassler") for a total deemed consideration of \$6,219,000. \$4,200,000 of the purchase consideration was paid in cash on settlement whilst the remaining balance of \$1,800,000 was payable no later than 30 June 2021 with an interest rate of 10% per annum, representing a fair value of \$2,019,000.

On 22 July 2020, Fassler allotted and issued 6,326,531 ordinary shares, of which the Company and an affiliated company subscribed to 2,590,000 and 3,736,531 of the said ordinary shares for a cash consideration of S\$253,820 and S\$366,180 respectively. Consequently, the equity interest of the Company decreased from 100% to 49%.

On 12 March 2020, the Company completed the acquisition of 100% equity interest in Allegro Aqua Pte. Ltd. ("Allegro") for a for a consideration of \$2,200,000 in cash and via allotment of 27,000,000 redeemable convertible preference shares ("RCPS") at \$0.60 per RCPS of the Company, representing a total deemed consideration of \$10,630,000.

2019

On 23 March 2019, the Company has incorporated a newly owned subsidiary corporation, Barramundi Asia (Brunei) Sdn. Bhd., with a paid-up share capital of \$1,000.

The Group has the following subsidiary corporations as at 31 December 2020 and 2019:

<u>Name</u>	<u>Principal activities</u>	<u>Country of business/ incorporation</u>	<u>Proportion of ordinary shares directly held by the Company</u>		<u>Proportion of ordinary shares held by the Group</u>		<u>Proportion of ordinary shares held by non-controlling interests</u>	
			2020	2019	2020	2019	2020	2019
			%	%	%	%	%	%
<u>Held by the Company</u>								
UVAXX Pte. Ltd. ⁽¹⁾	Development and sale of vaccines for fish	Singapore	100	100	100	100	-	-
Marine Produce Australia Pty Ltd ⁽²⁾	Ocean farming of finfish	Australia	100	100	100	100	-	-

14. Investments in subsidiary corporations (continued)

The Group has the following subsidiary corporations as at 31 December 2020 and 2019:

<u>Name</u>	<u>Principal activities</u>	<u>Country of business/ incorporation</u>	<u>Proportion of ordinary shares directly held by the Company</u>		<u>Proportion of ordinary shares held by the Group</u>		<u>Proportion of ordinary shares held by non-controlling interests</u>	
			<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
			<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>
<u>Held by the Company</u>								
Barramundi Asia (Shanghai) Co Ltd. ⁽³⁾	Import and trading of fish	China	100	100	100	100	-	-
Barramundi Asia (Brunei) Sdn. Bhd. ⁽³⁾	Ocean farming of finfish	Brunei	99	99	99	99	-	-
Fassler Gourmet Pte Ltd (“Fassler”) ^{(1),(4)}	Processing and supply of fresh and frozen food	Singapore	49	-	49	-	51	-
Allegro Aqua Pte. Ltd. ⁽³⁾	Farming of seabass and general trade	Singapore	100	-	100	-	-	-
<u>Held by Marine Produce Australia Pty Ltd</u>								
MPA Fish Farms Pty Ltd ⁽²⁾	Ocean farming of finfish	Australia	100	100	100	100	-	-
MPA Marketing Pty Ltd ⁽²⁾	Sale and distribution of ocean farmed finfish	Australia	100	100	100	100	-	-

(1) Audited by Nexia TS Public Accounting Corporation, Singapore.

(2) Audited by KPMG LLP Australia.

(3) Reviewed by Nexia TS Public Accounting Corporation, Singapore for purposes of consolidation.

(4) Considered as subsidiary corporation of the Company as the directors of the Company assessed that the Group has the practical ability to direct the relevant activities of Fassler.

14. Investments in subsidiary corporations (continued)

Carrying amount of non-controlling interests

	2020
	\$
Fassler	4,017,315

Summarised financial information of subsidiary with material non-controlling interests

Set out below are the summarised financial information for Fassler that has non-controlling interests ("NCI") that are material to the Group. These are presented before inter-company eliminations.

Summarised balance sheet

	2020
	\$
Current	
Assets	11,056,249
Liabilities	(4,449,799)
Total current net assets	6,606,450
Non-current	
Assets	5,919,846
Liabilities	(5,461,785)
Total non-current net assets	458,061
Net assets	7,064,511
Accumulated NCI	4,017,315

Summarised income statement

	2020
	\$
Revenue	9,145,849
Profit before tax	547,042
Income tax expense	-
Total comprehensive income for the year	547,042
Total comprehensive income allocated to NCI	58,572

Summarised cash flows

	2020
	\$
Net cash used in operating activities	(5,292,218)
Net cash generated from investing activities	131,339
Net cash generated from financing activities	6,621,971

14. Investments in subsidiary corporations (continued)

Dilution of interest in a subsidiary without loss of control

On 22 July 2020, the Group's subsidiary corporation, Fassler allotted and issued 6,326,531 ordinary shares of which the Company subscribed to 2,590,000, for a cash consideration of \$253,820 and an affiliated company subscribed to the remaining 3,736,531 of shares for a cash consideration of \$366,180. Following the completion of subscription, the Group's equity interest in Fassler decreased from 100% to 49%, while remained controls of Fassler. This resulted in an increase in non-controlling interests of S\$3,958,743 and an increase in equity attributable to owner of the parent of \$366,180. The effect of changes in the ownership interest of Fassler on the equity attributable to owners of the Company during the year is summarised as follows:

	\$
Carrying amount of interests in a subsidiary corporation disposed of	(3,958,743)
Deemed consideration received from non-controlling interests	<u>366,180</u>
Decrease in equity attributable to owners of the Company	<u>(3,592,563)</u>

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15. Property, plant and equipment

	<u>Leasehold improvements</u>	<u>Plant equipment and boats</u>	<u>Nets, cages and moorings</u>	<u>Office and computer equipment</u>	<u>Motor Vehicles</u>	<u>Leasehold land, sea and buildings</u>	<u>Leasehold property</u>	<u>Capital work in progress</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Group									
<u>2020</u>									
Cost									
Beginning of financial year	2,735,160	26,184,099	2,865,429	195,139	58,000	1,934,495	-	1,695,306	35,667,628
Additions	29,372	2,636,841	27,090	8,879	15,328	1,171,710	-	907,951	4,797,171
Acquisitions through business combinations (Note 27)	-	3,637,350	-	296,898	335,718	376,857	5,800,000	-	10,446,823
Transfer from capital work in progress	-	596,914	-	-	-	-	-	(596,914)	-
Written-off	-	(202,728)	(80,634)	(117,953)	-	(426,884)	-	-	(828,199)
Exchange differences	-	1,325,696	-	-	-	110,598	-	19,088	1,455,382
End of financial year	<u>2,764,532</u>	<u>34,178,172</u>	<u>2,811,885</u>	<u>382,963</u>	<u>409,046</u>	<u>3,166,776</u>	<u>5,800,000</u>	<u>2,025,431</u>	<u>51,538,805</u>
Accumulated depreciation and impairment									
Beginning of financial year	520,195	16,441,888	1,557,945	145,019	37,838	610,735	-	-	19,313,620
Depreciation charge	254,146	1,867,680	179,089	65,275	23,060	661,879	165,714	-	3,216,843
Acquisitions through business combinations	-	3,356,421	-	257,975	324,513	42,316	-	-	3,981,225
Written-off	-	(176,177)	(80,159)	(110,760)	-	(426,884)	-	-	(793,980)
Exchange differences	-	869,236	-	-	-	35,828	-	-	905,064
End of financial year	<u>774,341</u>	<u>22,359,048</u>	<u>1,656,875</u>	<u>357,509</u>	<u>385,411</u>	<u>923,874</u>	<u>165,714</u>	<u>-</u>	<u>26,622,772</u>
Net book value									
End of financial year	<u>1,990,191</u>	<u>11,819,124</u>	<u>1,155,010</u>	<u>25,454</u>	<u>23,635</u>	<u>2,242,902</u>	<u>5,634,286</u>	<u>2,025,431</u>	<u>24,916,033</u>

15. Property, plant and equipment (continued)

	<u>Leasehold improvements</u> \$	<u>Plant equipment and boats</u> \$	<u>Nets, cages and moorings</u> \$	<u>Office and computer equipment</u> \$	<u>Motor Vehicles</u> \$	<u>Leasehold land, sea and buildings</u> \$	<u>Capital work in progress</u> \$	<u>Total</u> \$
Group								
<u>2019</u>								
Cost								
Beginning of financial year	2,642,160	24,095,224	2,767,983	194,903	58,000	-	203,396	29,961,666
Adoption of SFRS(I) 16	-	207,274	-	-	-	1,609,908	-	1,817,182
Additions	93,000	2,725,900	97,446	13,255	-	370,279	1,558,322	4,858,202
Transfer from capital work in progress	-	63,811	-	-	-	-	(63,811)	-
Written-off	-	(240,014)	-	(13,019)	-	-	-	(253,033)
Exchange differences	-	(668,096)	-	-	-	(45,692)	(2,601)	(716,389)
End of financial year	<u>2,735,160</u>	<u>26,184,099</u>	<u>2,865,429</u>	<u>195,139</u>	<u>58,000</u>	<u>1,934,495</u>	<u>1,695,306</u>	<u>35,667,628</u>
Accumulated depreciation and impairment								
Beginning of financial year	270,327	14,334,470	1,381,435	108,123	26,238	-	-	16,120,593
Depreciation charge	249,868	1,724,770	176,510	49,915	11,600	618,417	-	2,831,080
Written-off	-	(171,093)	-	(13,019)	-	-	-	(184,112)
Impairment	-	1,030,658	-	-	-	-	-	1,030,658
Exchange differences	-	(476,917)	-	-	-	(7,682)	-	(484,599)
End of financial year	<u>520,195</u>	<u>16,441,888</u>	<u>1,557,945</u>	<u>145,019</u>	<u>37,838</u>	<u>610,735</u>	<u>-</u>	<u>19,313,620</u>
Net book value								
End of financial year	<u>2,214,965</u>	<u>9,742,211</u>	<u>1,307,484</u>	<u>50,120</u>	<u>20,162</u>	<u>1,323,760</u>	<u>1,695,306</u>	<u>16,354,008</u>

15. Property, plant and equipment (continued)

	<u>Leasehold improvements</u>	<u>Plant equipment and boats</u>	<u>Nets, cages and moorings</u>	<u>Office and computer equipment</u>	<u>Motor Vehicles</u>	<u>Leasehold land, sea and buildings</u>	<u>Capital work in progress</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$	\$	\$
Company								
<u>2020</u>								
Cost								
Beginning of financial year	2,735,160	7,079,726	2,865,429	181,123	58,000	364,574	1,410,590	14,694,602
Additions	29,372	414,223	27,090	7,449	-	131,739	200,809	810,682
Written-off	-	(102,394)	(80,635)	-	-	(348,098)	-	(531,127)
Transfer from capital work in progress	-	293,109	-	-	-	-	(293,109)	-
End of financial year	<u>2,764,532</u>	<u>7,684,664</u>	<u>2,811,884</u>	<u>188,572</u>	<u>58,000</u>	<u>148,215</u>	<u>1,318,290</u>	<u>14,974,157</u>
Accumulated depreciation								
Beginning of financial year	520,196	3,882,278	1,557,945	133,822	37,838	265,805	-	6,397,884
Depreciation charge	254,146	620,275	179,089	36,663	11,600	121,428	-	1,223,201
Written-off	-	(75,844)	(80,159)	-	-	(348,098)	-	(504,101)
End of financial year	<u>774,342</u>	<u>4,426,709</u>	<u>1,656,875</u>	<u>170,485</u>	<u>49,438</u>	<u>39,135</u>	<u>-</u>	<u>7,116,984</u>
Net book value								
End of financial year	<u>1,990,190</u>	<u>3,257,955</u>	<u>1,155,009</u>	<u>18,087</u>	<u>8,562</u>	<u>109,080</u>	<u>1,318,290</u>	<u>7,857,173</u>

15. Property, plant and equipment (continued)

	<u>Leasehold improvements</u>	<u>Plant equipment and boats</u>	<u>Nets, cages and moorings</u>	<u>Office and computer equipment</u>	<u>Motor Vehicles</u>	<u>Leasehold land, sea and buildings</u>	<u>Capital work in progress</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$	\$	\$
Company								
<u>2019</u>								
Cost								
Beginning of financial year	2,642,160	6,363,391	2,767,983	182,427	58,000	-	136,984	12,150,945
Adoption of SFRS(I) 16	-	207,274	-	-	-	364,574	-	571,848
Additions	93,000	509,061	97,446	11,715	-	-	1,273,606	1,984,828
Written-off	-	-	-	(13,019)	-	-	-	(13,019)
End of financial year	<u>2,735,160</u>	<u>7,079,726</u>	<u>2,865,429</u>	<u>181,123</u>	<u>58,000</u>	<u>364,574</u>	<u>1,410,590</u>	<u>14,694,602</u>
Accumulated depreciation								
Beginning of financial year	270,327	3,270,411	1,381,435	99,667	26,238	-	-	5,048,078
Depreciation charge	249,869	611,867	176,510	47,174	11,600	265,805	-	1,362,825
Written-off	-	-	-	(13,019)	-	-	-	(13,019)
End of financial year	<u>520,196</u>	<u>3,882,278</u>	<u>1,557,945</u>	<u>133,822</u>	<u>37,838</u>	<u>265,805</u>	<u>-</u>	<u>6,397,884</u>
Net book value								
End of financial year	<u>2,214,964</u>	<u>3,197,448</u>	<u>1,307,484</u>	<u>47,301</u>	<u>20,162</u>	<u>98,769</u>	<u>1,410,590</u>	<u>8,296,718</u>

Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 16(a).

16. Leases – The Group and Company as a lessee

Nature of the Group's leasing activities

Leasehold land, sea and buildings

The Group and the Company lease several assets including leasehold land, sea and buildings for the purpose of commercial farming and back office operations. The leases have varying terms and are renegotiated upon renewal.

Plant and equipment

The Group and the Company lease plant and equipment for the purpose of daily operation. The leases have varying terms and are renegotiated upon renewal.

(a) Carrying amounts

Right-of-use assets classified within property, plant and equipment

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Leasehold land and sea and buildings	2,242,911	1,323,760	109,080	98,769
Plant equipment and boats	1,292,469	2,568,541	120,001	163,638
	<u>3,535,380</u>	<u>3,892,301</u>	<u>229,081</u>	<u>262,407</u>

(b) Depreciation charge during the year

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Leasehold land, sea and buildings	661,867	557,665	121,428	265,805
Plant equipment and boats	358,005	300,465	43,637	43,637
	<u>1,019,872</u>	<u>858,130</u>	<u>165,065</u>	<u>309,442</u>

(c) Interest expense

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Interest expense on lease liabilities	306,207	349,393	5,777	15,471

16. Leases – The Group and Company as a lessee (continued)

(d) *Lease expense not capitalised in lease liabilities*

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Lease expenses- short-term leases	86,167	25,816	53,720	6,768

(e) *Total cash outflow for all the leases in 2020 was \$1,837,687 (2019: \$1,991,765)*

(f) *Addition of ROU assets during the financial year 2020 was \$1,171,709 (2019: \$370,279)*

(g) *Future cash outflow which are not capitalised in lease liabilities*

Extension options

The leases for certain leasehold land, sea and buildings contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension option. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The majority of the extension options are exercisable by the Group and not by the lessor.

17. Intangible assets

	Protocol asset \$	Club membership \$	Goodwill \$	Trademark \$	Total \$
Group					
<u>2020</u>					
Cost					
Beginning and end of financial year	-	15,300	2,240,496	4,424,904	6,680,700
Acquisition through business combinations (Note 27)	600,000	-	6,485,698	1,680,000	8,765,698
End of financial year	600,000	15,300	8,726,194	6,104,904	15,446,398
Accumulated amortisation and impairment					
Beginning of financial year	-	-	-	535,269	535,269
Acquisition through business combinations (Note 27)	128,574	-	-	-	128,574
Amortisation charge	64,286	-	-	478,586	542,872
End of financial year	192,860	-	-	1,013,855	1,206,715
Carrying amounts					
End of financial year	407,140	15,300	8,726,194	5,091,049	14,239,683

17. Intangible assets (continued)

	Club membership	Goodwill	Trademark	Total
2019				
Cost				
Beginning of financial year	15,300	-	-	15,300
Additions	-	2,240,496	4,424,904	6,665,400
End of financial year	15,300	2,240,496	4,424,904	6,680,700
Accumulated amortisation and impairment				
Beginning of financial year	-	-	228,678	228,678
Amortisation charge	-	-	306,591	306,591
End of financial year	-	-	535,269	535,269
Carrying amounts				
End of financial year	15,300	2,240,496	3,889,635	6,145,431
				Club membership \$
Company				
2020				
Cost				
Beginning and end of financial year				15,300
2019				
Cost				
Beginning and end of financial year				15,300

The useful life of the club membership is indefinite.

Goodwill of S\$2,240,496 and S\$6,485,698 belongs to cash generating units ("CGUs") of Marine Produce Australia Pty Ltd and its subsidiary corporations and Barramundi Group Pte. Ltd. and Allegro Aqua Pte. Ltd. respectively.

In assessing whether an impairment is required for goodwill, the carrying amount of the CGU is compared with its recoverable amount. The recoverable amount of the CGU was determined based on value-in-use calculations. The management has adopted discounted cash flow approach to determine the value-in-use. The cash flow projection covering a five-year period is based on budgets approved by management. Cash flows beyond the five-year period were extrapolated using terminal growth rate of 0%. These cash flows were discounted using a pre-tax discount rate that reflected current market assessment of the time value of money and the risks specific to the CGU. The growth rate is based on past performance and expectations on market development.

17. Intangible assets (continued)

Key assumptions used in value-in-used calculations:

	Group	
	2020	2019
	%	%
Growth rate ⁽¹⁾	0% and 9%	0% and 9%
Discount rate ⁽²⁾	<u>12.8%</u>	<u>10.1%</u>

(1) Revenue growth rate used for extrapolation of future revenue

(2) Pre-tax discount rate applied to the pre-tax cash flows projections

If the estimated growth rate used in the value-in-used calculation for this CGU had declined by 1.9% (2019: 2.1%), estimated pre-tax discount rate applied to the discounted cash flows for this CGU had raised by 7.1% (2019: 6.2%), the recoverable amount of the CGU would equal the carrying amount.

18. Trade and other payables

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Trade payables				
- Non-related parties	5,833,558	2,758,715	2,132,598	1,073,938
- Subsidiary corporations	-	-	939,629	-
- Affiliated companies	<u>187,319</u>	<u>18,066</u>	<u>187,319</u>	<u>18,066</u>
	<u>6,020,877</u>	<u>2,776,781</u>	<u>3,259,546</u>	<u>1,092,004</u>
Other payables – Non-related parties	12,243,545	2,629,461	11,941,335	275,802
Advances	18,633	-	-	-
Accruals	<u>2,213,535</u>	<u>1,056,968</u>	<u>1,065,988</u>	<u>407,107</u>
	<u>20,496,590</u>	<u>6,463,210</u>	<u>16,266,869</u>	<u>1,774,913</u>

Trade payables are normally settled on 30 to 90 days terms. Trade payables due to affiliate companies are unsecured and interest-free.

The carrying amounts of trade and other payables approximate their fair values.

Included in other payables consist of redeemable convertible preference shares of \$8,430,000. Refer to Note 27 to the financial statements for detailed disclosure.

19. Borrowings

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Non-current liabilities:				
Secured bank loans	22,863,487	5,804,342	9,663,988	-
Lease liabilities	2,082,311	2,056,310	116,275	102,242
	<u>24,945,798</u>	<u>7,860,652</u>	<u>9,780,263</u>	<u>102,242</u>
Current liabilities:				
Secured bank loans	6,581,144	6,207,582	8,645,834	5,000,000
Lease liabilities	1,445,772	1,418,753	100,238	146,678
Convertible loans	9,383,652	8,370,000	9,383,652	8,370,000
	<u>17,410,568</u>	<u>15,996,335</u>	<u>18,129,724</u>	<u>13,516,678</u>
	<u>42,356,366</u>	<u>23,856,987</u>	<u>27,909,987</u>	<u>13,618,920</u>

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Currency	Nominal interest rate	Year of maturity	2020		2019	
				Face value	Carrying amount	Face value	Carrying amount
Group							
Secured bank loans	SGD	ABS SIBOR + 2%	2025	5,000,000	5,000,000	5,000,000	5,000,000
Secured bank loans	SGD	ABS SIBOR + 3%	2023	5,000,000	5,245,000	-	-
Secured bank loans	SGD	ABS SIBOR + 1.75%	2023	4,000,000	4,000,000	-	-
Money Market Line	SGD	Floating rate	2021	2,000,000	2,000,000	-	-
Money Market Line	SGD	ABS SIBOR + 2%	2021	1,000,000	1,000,000	-	-
Third party loan	SGD	4%	2023	2,000,000	2,000,000	-	-
Secured bank loans	AUD	BBSY + 3.55%	2027	5,150,000	5,014,489	13,865,408	7,127,707
Factoring facility	AUD	5.38%	2021	3,000,000	1,219,708	-	-
Equipment financing	AUD	4.41–5.51%	2024	4,870,339	4,274,024	6,928,454	3,359,280
Convertible loans	SGD	10%, 15%	2020, 2021	9,383,652	9,383,652	8,370,000	8,370,000

19. Borrowings (continued)

	Currency	Nominal interest rate	Year of maturity	2020		2019	
				Face value	Carrying amount	Face value	Carrying amount
Company							
Secured bank loans	SGD	ABS SIBOR + 2%	2025	5,000,000	5,000,000	5,000,000	5,000,000
Secured bank loans	SGD	ABS SIBOR + 3%	2023	5,000,000	5,245,000	-	-
Secured bank loans	SGD	ABS SIBOR + 1.75%	2023	4,000,000	4,064,822	-	-
Money Market Line	SGD	Floating rate	2021	2,000,000	2,000,000	-	-
Third party loan	SGD	4%	2023	2,000,000	2,000,000	-	-
Convertible loans	SGD	10%, 15%	2020, 2021	9,383,652	9,383,652	8,370,000	8,370,000

The secured bank loans of the Group are secured over the following:

- the fixed deposit (Note 10), new debentures over the Company's fixed and floating assets and new assignment of all the Company's rights, title, benefits and interest in connection with any insurance policies (including but not limited to the Company's commercial aquaculture stock) with respect to the Company's assets; and
- a subsidiary's all present and after-acquired property and a mortgage over the aquaculture license.

Convertible loans

2020

The loans were issued in May and October 2020 and mature on May and October 2021 respectively.

The loans are unsecured and the principal and accrued interest are convertible, at the option of the lenders, into Class A ordinary shares of the Company 7 days before any loan redemption period or at the maturity of the loans at a 20% discount of the latest fundraise. Interest of 10% and 15% per annum is payable quarterly in arrears.

The convertible loans are regarded as derivative financial liabilities as they do not meet the "fixed-for-fixed" criterion.

2019

The loans were issued in September and November 2018 and matured on 29 February 2020.

The loans are unsecured and the principal and accrued interest are convertible, at the option of the lenders, into Class A ordinary shares of the Company on the eve of any loan redemption period or at the maturity of the loans at S\$0.60 per share. Interest of 10% per annum is payable quarterly in arrears.

The convertible loans are regarded as derivative financial liabilities as they do not meet the "fixed-for-fixed" criterion.

20. Deferred capital grants

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Beginning of financial year	437,037	564,960	185,876	261,166
Grants received	5,063,134	-	5,063,134	-
Amortisation of deferred capital grants	(127,923)	(127,923)	(75,290)	(75,290)
End of financial year	<u>5,372,248</u>	<u>437,037</u>	<u>5,173,720</u>	<u>185,876</u>

Deferred capital grants relate to government grants received for the acquisition of plant and equipment to promote productivity and innovation. There are no unfulfilled conditions or contingencies attached to these grants.

21. Provisions

Provision for reinstatement costs relates to the estimated costs of reinstating leased premises to its original condition upon vacating the premises at the end of the lease term.

22. Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxation authority.

The amounts, determined after appropriate offsetting, are shown on the balance sheet as follows:

	Group	
	2020	2019
	\$	\$
Deferred tax assets	(2,604,377)	(2,023,137)
Deferred tax liabilities	3,958,100	3,175,153
Net deferred tax liabilities	<u>1,353,723</u>	<u>1,152,016</u>

Movement in deferred tax balances

	Property, plant and equipment	Intangible assets	Inventory	Employee benefits	Unutilised tax losses	Other items	Net deferred tax (assets)/ liabilities
	\$	\$	\$	\$	\$	\$	\$
Group							
At 1 January 2020	(709,244)	1,160,508	2,014,645	(158,775)	-	(1,155,118)	1,152,016
Acquired through business combination	-	329,000	-	-	-	-	329,000
Recognised in profit or loss	609,515	(127,292)	345,000	(21,097)	(1,098,362)	164,944	(127,292)
Exchange differences	(13,816)	-	(7,820)	478	24,896	(3,739)	(1)
At 31 December 2020	<u>(113,545)</u>	<u>1,362,216</u>	<u>2,351,825</u>	<u>(179,394)</u>	<u>(1,073,466)</u>	<u>(993,913)</u>	<u>1,353,723</u>
At 1 January 2019	(424,891)	1,109,795	2,560,352	(126,205)	(596,319)	(230,648)	2,292,084
Recognised in profit or loss	(309,128)	39,349	(449,645)	(38,526)	588,457	(958,738)	(1,128,231)
Exchange differences	24,775	11,364	(96,062)	5,956	7,862	34,268	(11,837)
At 31 December 2019	<u>(709,244)</u>	<u>1,160,508</u>	<u>2,014,645</u>	<u>(158,775)</u>	<u>-</u>	<u>(1,155,118)</u>	<u>1,152,016</u>

22. Deferred income taxes (continued)

Unrecognised temporary differences

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Unabsorbed allowances carried forward	1,870,466	1,870,466	1,870,466	1,870,466
Unutilised tax losses	55,910,517	50,432,758	45,060,170	41,310,146
Total unrecognised temporary differences	57,780,983	52,303,224	46,930,636	43,180,612

No deferred tax assets have been recognised in respect of these items because it is uncertain that future taxable profits will be available to utilise the benefits.

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable.

The unrecognised tax losses and capital allowances at the balance sheet date can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses and capital allowances in their respective countries of incorporation. The tax losses have no expiry date. The capital allowances will expire between 2021 and 2022.

23. Share capital

	2020	2019	2020	2019
	Number of	Number of	\$	\$
	shares	shares		
Group and Company				
Issued and paid up capital				
Ordinary shares	241,038,420	241,038,420	105,154,252	105,259,252

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

23. Share capital (continued)

The following table shows a reconciliation from the beginning balances to the ending balances for share capital:

Group and Company	2020	2019	2020	2019
	Number of shares	Number of shares	\$	\$
Fully paid ordinary shares				
At the beginning of the year	241,238,420	96,628,933	105,259,252	29,171,521
Converted from Class A ordinary shares	-	80,266,521	-	37,481,978
Converted from preference share	-	1	-	1
Issued for cash	-	64,342,965	-	38,605,752
Cancellation of shares	(200,000)	-	(105,000)	-
At the end of the year	<u>241,038,420</u>	<u>241,238,420</u>	<u>105,154,252</u>	<u>105,259,252</u>
Fully paid Class A ordinary shares				
At the beginning of the year	-	80,266,521	-	37,481,978
Converted to ordinary shares	-	(80,266,521)	-	(37,481,978)
At the end of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fully paid preference share				
At the beginning of the year	-	1	-	1
Converted to ordinary share	-	(1)	-	(1)
At the end of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The preference share has no voting rights and is not entitled to any dividend until after the Company has paid and/or distributed in aggregate to the ordinary shareholders collectively, the amount equivalent to the total issued and paid up ordinary share capital of the Company. Thereafter, the preference share is entitled to receive 20% of all distributions, ranking *pari passu* with 80% of such distributions among ordinary shareholders.

In 2019, the Company converted all Class A ordinary shares and preference shares to ordinary shares. The Company also issued 64,342,965 ordinary shares for a total consideration of \$38,605,752.

Capital management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain an optimal capital structure in order to finance its operations, support business growth and maximise shareholder value.

Management reviews the capital structure on a regular basis. As part of this review, management considers the cost of capital and the risk associated with each class of capital. To maintain or adjust the capital structure, Group companies may issue new shares, return capital to shareholders, make dividend payments, increase/decrease shareholders' loans or increase/reduce bank borrowings.

The Group's overall strategy remains unchanged from the previous financial year.

24. Other reserves

Composition:

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Equity reserve (Note (a))	2,854,500	2,854,500	2,854,500	2,854,500
Employee share option reserve (Note (b))	1,876,054	2,143,928	1,876,054	2,143,928
Currency translation reserve	(1,058,967)	(263,197)	-	-
Capital reserve (Note(c))	(3,592,563)	-	-	-
	<u>79,024</u>	<u>4,735,231</u>	<u>4,730,554</u>	<u>4,998,428</u>

(a) *Equity reserve*

- the equity component of convertible loans received in previous years that have been converted to paid-up ordinary shares; and
- warrants issued in 2018.

Reconciliation of outstanding warrants

The number and weighted-average exercise prices of warrants are as follows:

	Weighted average exercise price 2020	Number of options 2020	Weighted average exercise price 2019	Number of options 2019
Outstanding at the beginning and end of the year	\$0.55	<u>31,409,633</u>	\$0.55	<u>31,409,633</u>
Exercisable at the end of the year	\$0.55	<u>31,409,633</u>	\$0.55	<u>31,409,633</u>

Under the terms of the issuance of warrants in 2018, holders of the warrants are entitled to purchase shares at \$0.55 per share, at any time within a period of 3 years from the issue of the warrants. The fair value of the warrants has been measured using the residual method. All warrants are held by shareholders of the Company.

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company.

Employee share option reserve represents the equity-settled share options granted to employees. The reserve made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options

24. Other reserves (continued)

(b) Employee share option reserve

	Group and Company	
	2020	2019
	\$	\$
Beginning of financial year	2,143,928	1,954,536
Vested during the year	337,757	189,392
Cancelled during the year	(605,631)	-
End of financial year	<u>1,876,054</u>	<u>2,143,928</u>

(c) Capital reserve

Capital reserve represents excess of deemed consideration received by equity owners of the Company resulting from deemed disposal of interests in a subsidiary corporation (Note 14).

25. Commitments

Capital commitments

	Group and Company	
	2020	2019
	\$	\$
Acquisition of property, plant and equipment	<u>109,279</u>	<u>1,691,509</u>

26. Related party transactions

(a) Sales and purchases of goods and services

	Group	
	2020	2019
	\$	\$
Management fee to ultimate holding corporation	<u>125,000</u>	<u>125,000</u>

Outstanding balances as at 31 December 2020 and 2019 are unsecured and receivable/payable within 12 months from the end of the reporting period are disclosed in Notes 11 and 18 to financial statements respectively.

(b) Key management personnel compensation

	Group	
	2020	2019
	\$	\$
Salaries and bonuses	1,009,190	576,948
Employer's contribution to Central Provident Fund	3,735	-
Share-based payments	337,757	189,392
Other benefits	-	766,340
	<u>1,350,682</u>	<u>1,532,680</u>

27. Business combination

Acquisition of Fassler Gourmet Pte Ltd

On 16 December 2019, the Company entered into a Sale and Purchase Agreement (SPA) for purchase of 1,000,000 shares, representing 100% equity interest of Fassler Gourmet Pte Ltd ("Fassler"), for a cash consideration of \$4,200,000 and \$1,800,000, with an interest rate of 10% per annum, payable no later than 30 June 2021. The acquisition was completed on 2 January 2020. The principal activities of Fassler are those of processing and supply of fresh and frozen food.

Acquisition of Allegro Aqua Pte. Ltd.

On 7 January 2020, the Company entered into a Sale and Purchase Agreement (SPA) for the purchase of 5,540,003 ordinary shares, representing 100% equity interest of Allegro Aqua Pte. Ltd. ("Allegro") for a consideration of \$2,200,000 in cash and via allotment of 27,000,000 redeemable convertible preference shares ("RCPS") at \$0.60 per RCPS of the Company.

The principal activities of Allegro are those of farming of seabass and general trade.

Details of the considerations transferred, the assets acquired and liabilities assumed and the effects on the cash flows of the Group, at the acquisition date, are as follows:

Purchase consideration

The following table summarises the acquisition-date fair value of each major class of consideration transferred:

	Fassler \$	Allegro \$	Total \$
Cash consideration paid	4,200,000	2,200,000	6,400,000
Second tranche payment	2,019,000	-	2,019,000
Fair value of RCPS consideration ⁽¹⁾	-	8,430,000	8,430,000
Total consideration transferred	6,219,000	10,630,000	16,849,000

⁽¹⁾ The Company issued 27,000,000 RCPS at S\$0.60 per share as part of the consideration for acquisition of Allegro. RCPS have the same rights and privileges attaching to and ranking pari passu with all ordinary shares. They are entitled the same dividend that may be declared to ordinary shares.

Holders of the 27,000,000 RCPS are conferred a right to receive distribution, which are declared at the Company's discretion and shall be non-cumulative. Subject to the satisfaction of the redemption or conversion conditions stated in the SPA, each RCPS is redeemable or convertible at any time on or after the trigger event stated in the SPA at S\$0.3289 per RCPS. The fair value of RCPS were determined by an independent valuer using Binomial Tree Model. These are classified within trade and other payables.

27. Business combinations (continued)

Effect on cash flows of the Group

	\$
Cash paid	6,400,000
Less: cash and cash equivalents acquired	<u>(2,762,600)</u>
Net cash outflow on acquisition	<u>3,637,400</u>

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:

	Fassler At fair value \$	Allegro At fair value \$	Total \$
Property, plant and equipment (Note 15)	6,226,193	239,405	6,465,598
Biological assets (Note 13)	-	812,995	812,995
Intangible assets (Note 17)	1,680,000	471,426	2,151,426
Inventories	1,128,078	100,460	1,228,538
Trade and other receivables	1,480,271	785,667	2,265,938
Cash and cash equivalents	685,077	2,077,523	2,762,600
Deferred tax liabilities (Note 22)	(329,000)	-	(329,000)
Loans and borrowings	(667,014)	(213,098)	(880,112)
Trade and other payables	<u>(2,701,135)</u>	<u>(130,076)</u>	<u>(2,831,211)</u>
	<u>7,502,470</u>	<u>4,144,302</u>	<u>11,646,772</u>
Total identifiable net assets	7,502,470	4,144,302	11,646,772
Less: Gain on bargain purchase	(1,283,470)	-	(1,283,470)
Add: Goodwill	-	6,485,698	6,485,698
	<u>6,219,000</u>	<u>10,630,000</u>	<u>16,849,000</u>
Consideration transferred for the business	<u>6,219,000</u>	<u>10,630,000</u>	<u>16,849,000</u>

Acquisition-related costs

The Group incurred acquisition-related costs of \$107,195 on legal fees and due diligence costs. These costs have been included in “administrative expenses” for the financial year ended 31 December 2020.

Bargain on purchase arising from acquisition

The bargain purchase of \$1,283,470 from acquisition of Fassler has been recognised in “other income” in the Group’s profit or loss for the financial year ended 31 December 2020.

27. Business combinations (continued)

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

	\$
Total consideration transferred	10,630,000
Fair value of identifiable net assets	<u>(4,144,302)</u>
Goodwill	<u>6,485,698</u>

The goodwill is attributable mainly to the skill and technical expertise of Allegro and synergies expected to be achieved from integrating the company into the Group's existing business. None of the goodwill recognised is expected to be deductible for tax purposes.

Acquired receivables

The carrying values of Fassler's and Allegro's trade and other receivables approximate their fair value at the acquisition date. Management believes that the receivables are collectible, based on historic payment behaviour, credit-worthiness of the customers and forward looking information.

Revenue and profit contribution

Fassler

The acquired business contributed revenue of S\$9,145,849 and net profit of S\$547,042 to the Group from 2 January 2020 to 31 December 2020. Had Fassler been consolidated from 1 January 2020, consolidated revenue and consolidated net profit for the financial year ended 31 December 2020 would not have significant difference to the Group.

Allegro

The acquired business contributed revenue of S\$426,283 and net loss of S\$426,300 to the Group from 31 March 2020 to 31 December 2020. Had Allegro been consolidated from 1 January 2020, consolidated revenue and consolidated net profit for the financial year ended 31 December 2020 would not have significant difference to the Group.

28. Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. This includes the establishing policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits.

Financial risk management is carried out by the Group's finance department in accordance with the policies set. The financial personnel identifies and evaluates financial risks in close co-operation with the Group's operating units. The financial personnel measures actual exposures against the limits set and prepares daily reports for review by the Chief Financial Officer. Regular reports are also submitted to the Board of Directors.

28. Financial risk management (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(i) *Currency risk*

The Group operates in Asia and Oceania with dominant operations in Singapore, China, Brunei and Australia. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies").

Currency risk arises when transactions are denominated in foreign currencies other than functional currency

As at each reporting date, the carrying amounts of significant monetary assets and liabilities denominated in currencies other than the respective Group entities' functional currencies are as follows:

	<u>USD</u> \$	<u>AUD</u> \$	<u>EUR</u> \$	<u>Total</u> \$
Group				
2020				
<u>Financial assets</u>				
Cash and bank balances	9,814	567,711	-	577,525
Trade and other receivables	747,796	-	-	747,796
	<u>757,610</u>	<u>567,711</u>	<u>-</u>	<u>1,325,321</u>
<u>Financial liabilities</u>				
Trade and other payables	(953,493)	-	-	(953,493)
Currency exposure of net financial (liabilities) / assets	(195,883)	567,711	-	371,828
2019				
<u>Financial assets</u>				
Cash and bank balances	97,509	1,005,119	-	1,102,628
Trade and other receivables	805,104	-	-	805,104
	<u>902,613</u>	<u>1,005,119</u>	<u>-</u>	<u>1,907,732</u>
<u>Financial liabilities</u>				
Trade and other payables	(434,991)	-	(164,944)	(599,935)
Currency exposure of net financial assets / (liabilities)	467,622	1,005,119	(164,944)	1,307,797

28. Financial risk management (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

	<u>USD</u> \$	<u>AUD</u> \$	<u>EUR</u> \$	<u>Total</u> \$
Company				
2020				
<u>Financial assets</u>				
Cash and bank balances	7,359	32,346	-	39,705
Trade and other receivables	747,796	24,202,143	-	24,949,939
	<u>755,155</u>	<u>24,234,489</u>	<u>-</u>	<u>24,989,644</u>
<u>Financial liabilities</u>				
Trade and other payables	(953,493)	-	-	(953,493)
Currency exposure of net financial (liabilities) / assets	<u>(198,338)</u>	<u>24,234,489</u>	<u>-</u>	<u>24,036,151</u>
2019				
<u>Financial assets</u>				
Cash and bank balances	97,509	1,005,119	-	1,102,628
Trade and other receivables	805,104	13,181,179	-	13,986,283
	<u>902,613</u>	<u>14,186,298</u>	<u>-</u>	<u>15,088,911</u>
<u>Financial liabilities</u>				
Trade and other payables	(434,991)	-	(164,944)	(599,935)
Currency exposure of net financial assets / (liabilities)	<u>467,622</u>	<u>14,186,298</u>	<u>(164,944)</u>	<u>14,488,976</u>

28. Financial risk management (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(i) *Currency risk (continued)*

A 5% (2018: 5%) strengthening of SGD against the following currencies at balance sheet date would decrease/(increase) the (loss)/profit before income tax by the amounts shown below. This analysis assumes that all other variables being held constant.

	Group	
	2020	2019
	\$	\$
USD	8,129	(19,406)
AUD	(23,560)	(41,712)
EUR	-	6,845
	<u> </u>	<u> </u>

	Company	
	2020	2019
	\$	\$
USD	8,231	(19,406)
AUD	(1,005,731)	(588,731)
EUR	-	6,845
	<u> </u>	<u> </u>

(ii) *Equity price risk*

The Group does not have exposure to equity price risk as it does not hold equity financial assets.

(iii) *Cash flow and fair value interest rate risk*

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing assets, the Group's income is substantially independent of changes in market interest rates.

The Group's policy is to maintain 80 – 90% of its borrowings in fixed rate instruments. The Group's exposure to cash flow interest rate risks arises mainly from non-current variable-rate borrowings. The Company's exposure to cash flow interest rate risks arises mainly from bank borrowings and deposits at fixed rates.

A 1 % increase or decrease in interest rate at the reporting date of each interest bearing financial asset and liability, assuming that all other variables remain constant, would not have a material effect on the Group's results and equity.

28. Financial risk management (continued)

Financial risk factors (continued)

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group adopts the policy of dealing only with:

- Customers of appropriate credit standing and history, and obtaining sufficient collateral or buying credit insurance where appropriate to mitigate credit risk; and
- High credit quality counterparties of at least an 'A' rating by external credit rating companies.

The exposure to credit risks is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by management.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the management based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management and at the Group level by the management.

As the Group and the Company do not hold collateral, the maximum exposure to credit risk to each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet.

Cash and cash equivalents, loan to subsidiary corporations and other receivables are measured at the 12-month expected credit losses and are subject to immaterial credit loss.

(i) *Trade receivables*

The trade receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments. The methodology applied for impairment loss is the simplified approach to measuring expected credit loss (ECL) which uses a lifetime expected loss allowance for all trade receivables. The expected lifetime losses are recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and days past due for measuring the expected credit losses. The allowance matrix is based on its historical observed default rates (over period of 36 months) over the expected life of the trade receivables and is adjusted for forward-looking estimates. At each balance sheet date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

At each balance sheet date, an evaluation is made whether there is a significant change on credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the balance sheet date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group and the Company. The Management considers a financial asset as default if the counterparty fails to make contractual payments within 90 days when they fall due, and writes off the financial asset when a debtor fails to make contractual payments greater than 120 days past due. Where receivables are written off, the company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

28. Financial risk management (continued)

Financial risk factors (continued)

(b) Credit risk (continued)

(i) *Trade receivables (continued)*

During the financial year ended 31 December 2020, the Group and the Company had respectively recognised a loss allowance of \$91,683 and \$28,361 against trade receivables. There is no utilisation of loss allowance for the financial years. No loss allowance was recognised in the financial year ended 31 December 2019.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and the ability to close out market positions at a short notice. At the balance sheet date, assets held by the Group and the Company for managing liquidity risk included cash and short-term deposits.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuation in cash flows. The Group also ensures the availability of funding through committed bank facilities.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 5 years
	\$	\$
Group		
31 December 2020		
Trade and other payables	20,477,957	-
Lease liabilities	2,528,337	2,637,445
Borrowings	15,964,796	23,790,783
	<hr/>	<hr/>
31 December 2019		
Trade and other payables	6,463,210	-
Lease liabilities	1,418,753	2,297,285
Borrowings	14,935,062	6,010,879
	<hr/>	<hr/>
Company		
31 December 2020		
Trade and other payables	16,266,869	-
Lease liabilities	100,238	119,140
Borrowings	18,029,486	9,663,988
	<hr/>	<hr/>
31 December 2019		
Trade and other payables	1,774,913	-
Lease liabilities	146,678	106,260
Borrowings	13,606,134	-
	<hr/>	<hr/>

28. Financial risk management (continued)

Financial risk factors (continued)

(d) Capital risk

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain an optimal capital structure in order to finance its operations, support business growth and maximise shareholder value.

Management reviews the capital structure on a regular basis. As part of this review, management considers the cost of capital and the risk associated with each class of capital. To maintain or adjust the capital structure, the Group may issue new shares, return capital to shareholders, make dividend payments, increase/decrease shareholders' loans or increase/reduce bank borrowings.

The Group's overall strategy remains unchanged from the previous financial year.

(e) Financial instruments by category

The carrying amounts of the different categories of financial instruments are as follows:

	Group		Company	
	2020	2019	2020	2019
	\$	\$	\$	\$
Financial assets, at amortised cost	34,169,311	31,292,677	55,033,435	44,841,325
Financial liabilities, at amortised cost	<u>62,834,323</u>	<u>30,320,197</u>	<u>44,176,856</u>	<u>15,393,833</u>

28. Financial risk management (continued)

Fair value hierarchy

The table below analyses recurring non-financial assets and financial instruments carried at fair value, by the levels in the fair value hierarchy based on the inputs to valuations techniques. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Group				
2020				
Derivative financial instruments				
Convertible loans	-	9,383,652	-	9,383,652
Non-financial assets				
Consumable biological assets	-	22,932,604	-	22,932,604
2019				
Derivative financial instruments				
Convertible loans	-	8,370,000	-	8,370,000
Non-financial assets				
Consumable biological assets	-	16,553,549	-	16,553,549
Company				
2020				
Derivative financial instruments				
Convertible loans	-	9,383,652	-	9,383,652
Non-financial assets				
Consumable biological assets	-	7,304,673	-	7,304,673
2019				
Derivative financial instruments				
Convertible loans	-	8,370,000	-	8,370,000
Non-financial assets				
Consumable biological assets	-	4,984,996	-	4,984,996

The following table summarises the quantitative information about the significant inputs used in Level 2 fair value measurements:

Type	Input
Consumable biological assets	Based on closing biomass at observable market prices less costs to sell. Observable market prices are based on historical selling prices. Consumable biological assets at the end of the financial period are valued based on historical selling price less costs to sell.

29. Share-based payments

The Company has the following share-based payment arrangements:

Employee Share Option Scheme (Equity settled)

The Company has a share option scheme for qualifying employees of the Group and the Company which was approved and commenced on 1 January 2017 ("2017 Scheme"). The scheme is administered by the Board. Options may be exercised during the exercise period applicable to those options and in accordance with a vesting schedule to be determined by the Board on the date of the grant, and are vested immediately. If the options remain unexercised after a period of six years from the date of grant, the options will lapse.

Options are cancelled if the employee leaves the Company.

Perpetual Call Option

The perpetual call option was approved and commenced on 1 January 2017. The option is administered by the Board. The options granted were vested on 1 January 2017 and may be exercised at any time without an expiry date.

Measurement of fair values

The fair value of the 2017 Scheme and Perpetual Call Option have been measured using the Black-Scholes formula. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

The inputs used in the measure of the fair values at grant date of the 2017 Scheme were as follows:

	Perpetual Call Option granted on 1 January 2017
Fair value at grant date	\$0.19
Share price at grant date	\$0.43
Exercise price	\$0.28
Expected volatility (weighted-average)	27.7%
Expected life (weighted-average)	4 years
Expected dividend yield	0.0%
Risk-free interest rate (based on government bonds)	1.67%

Grant date	Options granted under the 2017 Scheme		
	18 June 2020	24 May 2019	1 Jan 2017
Fair value at grant date	\$0.25/\$0.19	\$0.14	\$0.13
Share price at grant date	\$0.60	\$0.60	\$0.43
Exercise price	\$0.39/\$0.50	\$0.50	\$0.39
Expected volatility (weighted-average)	33.7%	23.4%	27.7%
Expected life (weighted-average)	3 years	2 years	4 years
Expected dividend yield	0.0%	0.0%	0.0%
Risk-free interest rate (based on government bonds)	0.50%	1.75%	1.67%

Expected volatility has been based on an evaluation of historical volatility in the daily share price of comparable companies over the historical period commensurate with the expected term.

29. Share-based payments

Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the Employee Share Option Scheme are as follows:

	Weighted average exercise price 2020	Number of options 2020	Weighted average exercise price 2019	Number of options 2019
Outstanding at the beginning of the year	\$0.43	8,300,000	\$0.39	6,200,000
Granted during the year	\$0.42	3,500,000	\$0.50	3,800,000
Forfeited during the year	\$0.39	<u>(2,500,000)</u>	\$0.45	<u>(1,700,000)</u>
Outstanding at the end of the year	\$0.43	<u>9,300,000</u>	\$0.43	<u>8,300,000</u>
Exercisable at the end of the year	N/A	<u>-</u>	N/A	<u>-</u>

Reconciliation of outstanding call options

Details of the call options outstanding during the year are as follows:

	Weighted average exercise price 2020	Number of options 2020	Weighted average exercise price 2019	Number of options 2019
Outstanding at the beginning and end of the year	\$0.28	<u>7,000,000</u>	\$0.28	<u>7,000,000</u>
Exercisable at the end of the year	\$0.28	<u>7,000,000</u>	\$0.28	<u>7,000,000</u>

30. New or revised accounting standards and interpretations

Below are the mandatory standards and amendments and interpretations to existing standards that have been published and are relevant for the Group's accounting periods beginning on or after 1 January 2021 and which the Group has not early adopted.

Effective for annual periods beginning on or after 1 June 2020

- Amendments to SFRS(I) 16: Covid-19-Related Rent Concessions

Effective for annual periods beginning on or after 1 January 2022

- Amendments to SFRS(I) 3: Reference to the Conceptual Framework
- Amendments to SFRS(I) 16: Property, plant and equipment - proceeds before intended use
- Amendments to SFRS(I) 1-37: Onerous Contracts—Cost of Fulfilling a Contract
- Annual Improvements to SFRS(I)s 2018-2020

30. New or revised accounting standards and interpretations (continued)

Effective for annual periods beginning on or after 1 January 2023

- Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current
- Amendments to SFRS(I) 17 Insurance Contracts

Effective date: to be determined*

- Amendments to SFRS(I) 10 and SFRS(I) 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

* The mandatory effective date of this Amendment had been revised from 1 January 2016 to a date to be determined by the Accounting Standards Council Singapore ("ASC") in December 2015 via Amendments to Effective Date of Amendments to FRS 110 and FRS 28.

31. Events occurring after balance sheet date

- a) On 7 January 2021, 3,752,706 RCPS have been redeemed at \$0.3289 per RCPS.
- b) On 9 February 2021, the Company raised funds of \$12,455,726 by way of issuance of convertible loans to third parties and related parties. All agreements have been signed and funds received by the Company as at the date of these financial statements.
- c) On 1 April 2021, the Company raised funds of \$2,500,000 by way of issuance of convertible loans to third parties. All agreements have been signed and funds received by the Company as at the date of these financial statements.
- d) On 29 May 2021, \$1,560,000 of the convertible loans has been redeemed and paid out, and \$6,643,652 of the convertible loans has expired. On the same date, the Company has re-entered into new convertible loans agreements with the aforesaid expired convertible loan holders of \$6,643,652.
- e) On 31 May 2021, the Company has completed the share consolidation of every fifteen (15) existing issued shares in the capital of the Company held by shareholders of the Company into one (1) share in the capital of the Company.

32. Authorisation of financial statements

These financial statements for the financial year ended 31 December 2020 were authorised for issued in accordance with a resolution of Board of Directors of Barramundi Group Pte. Ltd. on 8 June 2021.

Appendix D - Interim unaudited management account for the period 1 January to 30 June 2021

Barramundi Group Pte Ltd and its subsidiaries
Unaudited Balance Sheet
As at 30 June 2021

	30 June 2021
	SGD
ASSETS	
Current assets	
Biological assets	22,886,826
Inventories	3,096,347
Trade and other receivables	6,185,989
Cash and cash equivalents	27,354,041
	<u>59,523,203</u>
Non-current assets	
Property, plant and equipment	27,523,071
Intangible assets	13,957,533
Biological assets	1,162,866
Deferred tax assets	2,697,033
	<u>45,340,503</u>
Total assets	<u>104,863,706</u>
LIABILITIES	
Current liabilities	
Deferred capital grants	75,290
Employee benefits	564,931
Borrowings	35,858,182
Trade and other payables	9,926,394
	<u>46,424,797</u>
Non-current liabilities	
Deferred capital grants	5,129,724
Employee benefits	112,415
Borrowings	26,296,250
Provision for reinstatement	55,980
Deferred tax liabilities	4,050,756
	<u>35,645,125</u>
Total liabilities	<u>82,069,922</u>
Net assets	<u>22,793,784</u>
EQUITY	
Share capital	105,255,921
Other reserves	(1,146,346)
Accumulated losses	(85,735,353)
Non- controlling interests	4,419,562
Total equity	<u>22,793,784</u>

Barramundi Group Pte Ltd and its subsidiaries
Unaudited Consolidated Statement of Comprehensive Income
For the financial period ended 30 June 2021

	1 Jan 2021 to 30 June 2021 SGD
Revenue	17,104,383
Other income	1,349,516
Raw materials and consumables	(11,633,024)
Farm and production personnel expenses	(4,515,204)
Fair value gain on biological assets	633,591
Fish mortalities	(1,254,897)
Depreciation expenses	(1,863,043)
Amortisation expenses	(282,150)
Administrative expenses	(3,074,426)
Distribution expenses	(1,241,063)
Finance expenses	(1,241,896)
	<hr/>
Loss before tax	(6,018,213)
Income tax expense	-
Net loss for the financial period	<hr/> (6,018,213) <hr/>
Other comprehensive loss	
Items that may be reclassified subsequently to profit or loss:	
- Currency translation loss on translating foreign operations	(1,322,275)
	<hr/>
Total comprehensive loss for the financial period	(7,340,488) <hr/>
Loss attributable to:	
Owners of the Company	(6,420,460)
Non-controlling interests	402,247
	<hr/> (6,018,213) <hr/>
Total comprehensive loss attributable to:	
Owners of the Company	(7,742,735)
Non-controlling interests	402,247
	<hr/> (7,340,488) <hr/>

Barramundi Group Pte Ltd and its subsidiaries
Unaudited Statement of Cash Flow
For the financial period ended 30 June 2021

	1 Jan 2021 to 30 June 2021 SGD
Cash flows from operating activities	
Loss before tax	(6,018,213)
Adjustments for:	
Fair value adjustment on biological assets	(633,591)
Amortisation of government grant	(167,234)
Depreciation of	
- property, plant and equipment and right-of-use assets	1,809,154
- biological asset	53,889
Amortisation of intangibles assets	282,150
Employee share option expense	185,226
Interest expense	1,241,896
Interest income	(53,090)
Provision for employee benefits	16,340
Operating cash flows before changes in working capital	(3,283,473)
Changes in working capital:	
Inventories	(1,119,604)
Biological assets	(1,990)
Trade and other receivables	624,487
Trade and other payables	158,589
Cash used in operations, representing net cash used in operating activities	(3,621,991)
Cash flows from investing activities	
Additions of property, plant and equipment	(3,828,203)
Interest income received	53,090
Net cash used in investing activities	(3,775,113)
Cash flows from financing activities	
Share issue expense	101,669
Proceeds from borrowings	9,381,634
Principal payment of lease liabilities	(643,841)
Interest paid	(1,241,896)
Redemption of RCPS	(1,234,223)
Net cash from financing activities	6,363,343
Net increase in cash and cash equivalents	(1,033,761)
Cash and cash equivalents	
Beginning of the financial period	29,327,259
Effect of currency translation on cash and cash equivalents	(939,457)
End of the financial period	27,354,041