



Catalano Seafood Ltd

(ACN 633 353 125)

Prospectus

For an offer of a minimum of 25,000,000 fully paid ordinary shares (**Shares**) and a maximum of 30,000,000 Shares in the capital of Catalano Seafood Ltd (**Company**) at a price of \$0.20 per Share, to raise a minimum of \$5,000,000 and a maximum of \$6,000,000 (before costs) (**Public Offer**).

This Prospectus also contains an offer of 500,000 Shares and 2,500,000 Options to the Lead Manager (or its nominees) as part consideration for the provision of capital raising and bookrunner services provided to the Company (**Lead Manager Offer**).

IMPORTANT NOTICE:

This is an important document and should be read in its entirety. Please consult your professional adviser(s) if you have any questions about the Securities being offered under this Prospectus or any other matter.

The Securities offered pursuant to this Prospectus should be considered as speculative.

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Important Information

The Offers

This Prospectus is issued by Catalano Seafood Ltd (ACN 633 353 125) (**Company**) for the purpose of Chapter 6D of the *Corporations Act 2001* (Cth) (**Corporations Act**). The Public Offer contained in this Prospectus is an initial public offering to acquire fully paid ordinary shares (**Shares**) in the Company.

This Prospectus also contains an offer of Shares and Options in the Company to the Lead Manager (or its nominees).

Lodgement and listing

This Prospectus is dated, and was lodged with ASIC on, 16 December 2021 (**Prospectus Date**). Neither ASIC nor ASX (or their respective officers) take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

Application will be made to ASX within seven days of the Prospectus Date for Official Quotation of the Shares the subject of the Offers.

Expiry date

This Prospectus expires on the date which is 13 months after the Prospectus Date (**Expiry Date**). No Securities will be issued on the basis of this Prospectus after the Expiry Date.

Not investment advice

The information in this Prospectus is not investment or financial product advice and does not take account your investment objectives, financial situation or particular needs. It is important that you read this Prospectus carefully and in its entirety before deciding whether to invest in the Company.

In particular, you should consider the risk factors that could affect the performance of the Company. You should carefully consider these risks in light of your personal circumstances (including financial and tax issues) and seek professional guidance from your stockbroker, solicitor, accountant or other professional adviser before deciding whether to invest in the Company. See Section 4 for the key risks relating to an investment in the Company, noting there may be other risks relevant to your personal circumstances. Except as required by law, and only to the extent required, no person named in this Prospectus, nor any other person, warrants or guarantees the performance of the Company, the repayment of capital by the Company or any return on investment in Securities made pursuant to this Prospectus.

No person is authorised to give any information or to make any representation in connection with this Prospectus, other than as is contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by the Company, the Directors, the Lead Manager, Co-Lead Manager or any other person in connection with this Prospectus.

RM Corporate Finance Pty Ltd has acted as Lead Manager with Auspac Financial Advisory Pty Ltd acting as Co-Lead Manager to the Public Offer. To the maximum extent permitted by law, the Lead Manager and Co-Lead Manager and each of their respective affiliates, officers, employees and advisers expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this Prospectus other than references to their name and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Prospectus.

The Company, the Share Registry, Lead Manager and Co-Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who trade Shares before receiving their holding statement.

Exposure Period

The Corporations Act prohibits the Company from processing Applications in the seven day period after the Prospectus Date (**Exposure Period**). The Exposure Period may be extended by ASIC by up to a further seven days. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus. In such circumstances, any Application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications under this Prospectus will not be processed by the Company until after the Exposure Period. No preference will be conferred upon Applications received during the Exposure Period.

No cooling-off rights

Cooling-off rights do not apply to an investment in Shares issued under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

Conditional Offers

The Offers contained in this Prospectus are conditional on certain events occurring. If these events do not occur, the Offers will not proceed and Applicants will be refunded their Application Monies (without interest). See Section 1.6 for further details on the conditions attaching to the Offers.

Electronic Prospectus and Application Forms

During the Exposure Period, an electronic version of this Prospectus (without an Application Form) will be available at www.catalanos.net.au to only persons in Australia, Singapore, Malaysia and Hong Kong. Application Forms will not be made available until after the Exposure Period has expired.

The Public Offer constituted by this Prospectus in electronic form is only available to persons receiving an electronic version of this Prospectus and relevant Application Form within Australia, Singapore, Malaysia and Hong Kong.

The Prospectus is not available to persons in other jurisdictions in which it may not be lawful to make such an invitation or offer to apply for Shares. If you access the electronic version of this Prospectus, you should ensure that you download and read the Prospectus in its entirety.

Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus and the relevant Application Form (free of charge) from the Company's registered office during the offer period by contacting the Company as detailed in the Corporate Directory. Applications will only be accepted on the relevant Application Form attached to, or accompanying, this Prospectus. The Corporations Act prohibits any person from passing on to another person the Application Form unless it is attached to a paper copy of the Prospectus or the complete and unaltered electronic version of this Prospectus.

Prospective investors wishing to subscribe for Securities under the Offers should complete the relevant Application Form. If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

Notice to foreign investors

No action has been taken to register or qualify the Securities the subject of this Prospectus, or otherwise to permit the offering of the Securities, in any jurisdiction outside Australia.

This document does not constitute an offer of Securities in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the Securities may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Securities have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Securities may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Malaysia

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to any offer of Securities. The Securities may not be offered, sold or issued in Malaysia except pursuant to, and to persons prescribed under, Schedules 5 and 6 of the Malaysian Capital Markets and Services Act.

Singapore

This document and any other materials relating to the Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Securities, may not be issued, circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an "institutional investor" (as defined in the SFA) or (ii) an "accredited investor" (as defined in the SFA). If you are not an investor falling within one of these categories, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Taxation

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.

The Company does not propose to give any taxation advice and, to the maximum extent permitted by law, the Company, its Directors and other officers and each of their respective advisers accept no responsibility or liability for any taxation consequences of subscribing for Securities under this Prospectus. You should consult your own professional tax advisers in regard to tax implications of the Offers.

Using this Prospectus

Persons wishing to subscribe for Securities offered by this Prospectus should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses, and prospects of the Company and the rights and liabilities attaching to the Securities offered pursuant to this Prospectus. If persons considering subscribing for Securities offered pursuant to this Prospectus have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser for advice.

Statements of past performance

This Prospectus includes information regarding the past performance of the Company. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Forward-Looking Statements

This Prospectus contains forward-looking statements which are identified by words such as 'believes', 'estimates', 'expects', 'targets', 'intends', 'may', 'will', 'would', 'could', or 'should' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the Prospectus Date, are expected to take place.

The Company does not undertake to, and do not intend to, update or revise any forward-looking statements, or publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

Any forward-looking statements are subject to various risks that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. Forward-looking statements should

be read in conjunction with, and are qualified by reference to, the risk factors as set out in Section 4. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company, the Directors, the Company's management, Lead Manager and the Co-Lead Manager cannot and do not give assurances that the results, performance or achievements expressed or implied in the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Photographs and diagrams

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the Prospectus Date.

Disclaimer

Except as required by law, and only to the extent so required, none of the Company, the Directors, the Company's management, the Lead Manager and Co-Lead Manager or any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

Company website

Any references to documents included on the Company's website at <https://www.catalanos.net.au/> are for convenience only, and none of the documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Miscellaneous

All financial amounts contained in this Prospectus are expressed as Australian currency unless otherwise stated. Conversions may not reconcile due to rounding. All references to '\$' or '\$' are references to Australian dollars and all references to 'US\$' are references to US dollars.

All references to time in this Prospectus are references to WST, being the time in Perth, Western Australia, unless otherwise stated.

Defined terms and abbreviations used in this Prospectus are detailed in the glossary in Section 10.

Corporate Directory

Existing Board of Directors

Nicolino (Nick) Catalano
Koon Poh Low
Sharmin Sahafi

Chief Executive Officer and Chairman
Non-Executive Director
Non-Executive Director

Proposed Board of Directors

Nicolino (Nick) Catalano
Koon Poh Low
May May Tan (Danielle)
Silvestro Morabito

Chief Executive Officer and Chairman
Non-Executive Director
Non-Executive Director
Non-Executive Director

Joint Company Secretaries

Laurence Lambro Anthony Ziatas
Harry Miller

Share Registry*

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth, WA, Australia

Telephone: 1300 850 505 (within Australia) or
+61 3 9415 4000 (outside Australia)

Registered and Principal Office

301 Collier Road Bassendean
Perth WA 6054

Phone: +61 8 9378 0900

Email: admin@catalanos.net.au

Website: <https://www.catalanos.net.au/>

Corporate Advisor

Ventnor Capital Pty Ltd
16 Ord Street
West Perth WA 6005

Corporate Lawyers

HWL Ebsworth Lawyers
Level 20, 240 St Georges Terrace
Perth WA 6000

Lead Manager

RM Corporate Finance Pty Ltd
PO Box 154 West Perth
Perth WA 6872

Auditor*

Grant Thornton Audit Pty Ltd
Central Park, Level 43
152-158 St Georges Terrace
Perth WA 6000

Co-Lead Manager

Auspac Financial Advisory Pty Ltd
Unit 2, 133 Burswood Road
Burswood WA 6100

Investigating Accountant

Grant Thornton Corporate Finance Pty Ltd
Central Park, Level 43
152-158 St Georges Terrace
Perth WA 6000

Proposed Stock Exchange Listing

Australian Securities Exchange (**ASX**)
Proposed ASX Code: **CSF**

* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

Letter from the Chairman

Dear Investor

On behalf of the Board of Catalano Seafood Ltd (**Catalano's or the Company**), I am pleased to present this Prospectus and to invite you to become a Shareholder in the Company.

The Company, based in Western Australia, is a seafood processor, wholesaler, retailer and exporter. Catalano's has 50 years' experience in the seafood industry, having established itself as a vertically integrated company through its strong relationships across the seafood supply chain (its "**ocean-to-plate**" network).

The Directors consider the Company is now well positioned in the WA seafood market to leverage this "ocean-to-plate" network and expand its operations across Australia. Catalano's growth strategy is centred around three pillars:

- (a) *Processing/Production* - upgrading its Processing Facility to increase processing capacity and offer a greater range of products;
- (b) *Seafood Management Solution* – rollout of its service to both independent supermarkets and franchise owned supermarkets that do not have a seafood offering for their customers (which involves placing Catalano-branded retail equipment (for example, a Catalano-branded fridge or freezer) in the supermarket for the retail sale of quality fresh, chilled and frozen seafood and associated complementary products); and
- (c) *Distribution* - expanding its network of distributors in Australia.

See Sections 2.3 and 2.4 for more information on Catalano's business model and key objectives.

Under this Prospectus, the Company is seeking to raise a minimum of \$5,000,000 and a maximum of \$6,000,000 (before costs) by the issue of a minimum of 25,000,000 Shares and a maximum of 30,000,000 Shares at a price of \$0.20 per Share, so it can:

- (a) expand its business in Australia, with an initial focus on the East coast of Australia;
- (b) pay corporate and administration costs;
- (c) fund general working capital; and
- (d) pay the costs of the Offers.

This Prospectus contains detailed information about the Offers and the current and proposed operations of the Company, as well as the risks pertaining to an investment in the Company. Potential investors in the Company should carefully consider those risks (see Section 4).

Before deciding on whether to invest in the Company, you should read this Prospectus carefully and consult with your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

We look forward to welcoming you as a Shareholder should you decide to take up Securities pursuant to the Offers.

Yours faithfully

A handwritten signature in blue ink, appearing to read "Nicolino Catalano". The signature is fluid and cursive, with a prominent initial "N" and a long, sweeping underline.

Nicolino (Nick) Catalano
CEO and Chairman

Key details of the Offers

Key details of the Offers ⁽¹⁾	Shares		Options ⁽²⁾
	Minimum Subscription	Maximum Subscription	
Existing Securities on issue	52,995,000	52,995,000	Nil
Conversion Shares to be issued on completion of the Offers ⁽³⁾	1,500,000	1,500,000	Nil
Total number of Shares to be issued under the Public Offer	25,000,000	30,000,000	Nil
Total number of Securities to be issued to the Lead Manager ⁽⁴⁾	500,000	500,000	2,500,000
Total Securities on issue on completion of the Offers⁽⁵⁾	79,995,000	84,995,000	2,500,000
Market Capitalisation at the Offer Price (undiluted)	\$15,999,000	\$16,999,000	
Market Capitalisation at the Offer Price (fully diluted)	\$16,499,000	\$17,499,000	

1. See Section 1.8 for further details relating to the current and proposed capital structure of the Company.
2. See Section 8.2 for the terms and conditions of the Options to be issued to the Lead Manager.
3. See Section 8.3 for further details regarding the Conversion Shares.
4. See Section 7.1 for further details of the fees payable to the Lead Manager.
5. Assuming no further Shares are issued and none of the Options are exercised. Note the Company intends to undertake an offer of loyalty Options within six months of Admission. See Section 1.9 for further details.

Indicative Timetable

Event	Date
Lodgement of Prospectus with ASIC	Thursday, 16 December 2021
Opening Date for the Offers	Friday, 24 December 2022
Closing Date for the Offers	Thursday, 10 February 2022
Issue of Securities under the Offers	Thursday, 17 February 2022
Expected dispatch of holding statements	Friday, 18 February 2022
Expected date for Official Quotation on ASX	Thursday, 24 February 2022

The dates shown in the table above are indicative only and may vary subject to the Corporations Act, the Listing Rules and other applicable laws. The Company, in consultation with the Lead Manager and Co-Lead Manager, reserves the right to vary the dates and times of the Offers (including, to vary the Opening Date and Closing Date, to accept late Applications, either generally or in particular cases, or to cancel or withdraw the Offers before Completion) in each case without notifying any recipient of this Prospectus or any Applicants, which may have a consequential effect on other dates. If the Offers are cancelled or withdrawn before the allotment of Securities, then all Application Monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Applicants are therefore encouraged to lodge their Application Form and deposit the Application Monies as soon as possible after the Opening Date if they wish to invest in the Company. The Company's Admission and the commencement of Official Quotation of its Shares are subject to confirmation from the ASX.

Investment Overview

This Section is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety. The Securities offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Securities.

Topic	Summary	More information
The Company, its business model and strategy		
Who is the issuer of the Prospectus?	Catalano Seafood Ltd (ACN 663 353 125) (Catalano's or the Company).	Section 2.1
Who is the Company and what does it do?	<p>The Company, which was incorporated on 9 May 2019 in Western Australia and on 21 October 2021 converted to a public company limited by shares, is a seafood processor, wholesaler, retailer and exporter. The Company is based in Bassendean, in Perth, Western Australia, and operates from various Catalano-licenced locations across Perth.</p> <p>The Company has 60 WA-based key customers and distribution via Metcash, the franchisor of the IGA independent supermarket group.</p>	Section 2.1
What is the Company's business model, growth strategy and key objectives?	<p>The Company has been trading since 1969 (operated through the Catalano Unit Trust). Catalano's has established itself as a vertically integrated company, operating from ocean-to-plate within Western Australia owing to its strong relationships across the seafood supply chain from third party fisheries through the Company's own processing capabilities to its key wholesale and retail connections/arrangements (these relationships collectively, Catalano's "ocean-to-plate" network).</p> <p>Catalano's intends to leverage its existing "ocean-to-plate" network to expand operations across Australia, specifically through the upgrade of its Processing Facility and roll out of its "Seafood Management Solution".</p>	Sections 2.1, 2.3 and 2.4
Where does the Company operate and what are its main business activities?	<p>The Company's operations currently focus on the seafood wholesale and retail markets in Western Australia.</p> <p>See Section 3 for an overview of these markets.</p>	Sections 2.1 and 3
How does the Company propose to achieve its objectives?	<p>The Company's key objective is to expand its current seafood processing, retail and distribution capabilities across Australia primarily through three key pillars:</p> <ul style="list-style-type: none"> • <i>Processing</i> - upgrading its Processing Facility to increase its processing and service capabilities; 	Section 2.4

Topic	Summary	More information
	<ul style="list-style-type: none"> • <i>Seafood Management Solution</i> - investing in equipment and marketing to support rollout of its Seafood Management Solution to independent and franchise owned supermarkets; and • <i>Distribution</i> - leveraging its "ocean-to-plate" network to establish new distribution arrangements. 	
What are the key dependencies of the Company's business model?	<p>The key dependencies include:</p> <ul style="list-style-type: none"> • completion of the planned upgrade to the Processing Facility within capital expenditure budgets; • maintaining key customer and distribution relationships on favourable terms to the Company; • maintaining accreditations and certifications; and • retaining competent operational management including appropriately skilled and experienced employees, contractors and consultants. 	Section 2.6
Will the Company require more capital?	<p>The Company's planned business activities and growth strategy as set out in Sections 2.3 and 2.4 will initially be funded by a combination of the Company's existing cash flow and funds raised by the Public Offer. However, the Directors anticipate the Company may in the future require additional capital as it seeks to further expand its operations. The amount and nature of any such additional funding will be determined based on market conditions and the needs of the business at the relevant time.</p>	Section 2.7
Key risks		
<p>Prospective investors should be aware that subscribing for Shares in the Company involves a number of risks and uncertainties. The risk factors set out in Section 4, and other general risks applicable to all investments in listed securities, may affect the value of the Shares in the future. An investment in the Company should be considered speculative. Investors may lose some or all of their investment.</p> <p>A non-exhaustive list of the key risk factors affecting the Company is set out below. Investors should refer to Section 4 for a more detailed summary of risks. The occurrence of any one of the risks below could adversely impact the Company's operating and financial performance.</p>		
Customer retention and contractual arrangements	<p>Catalano's practice is for purchasers to negotiate via an open market. Consequently, there is no guarantee that future transactions can be negotiated on terms and prices similar to Catalano's current terms and prices. The loss of any significant customer may adversely impact on the Company's operating and financial performance.</p> <p>As is common in the seafood industry, Catalano's does not have comprehensive agreements in place for its business relationships (including its distribution arrangement with Metcash) meaning customers may terminate arrangements</p>	Section 4.1(b)

Topic	Summary	More information
	with immediate effect. The Company therefore cannot provide any guarantee as to sales volumes, trading terms or continuity of its existing relationships.	
Reliance on key personnel	Catalano's future success is reliant upon its key management personnel. The loss of the services of certain personnel could have an adverse effect on Catalano's, as the Company may not be able to recruit replacements for the key personnel within a short timeframe.	Section 4.1(d)
Seafood prices, customer demand for seafood and competition	Variations in seafood prices and supply and demand in the seafood market may adversely impact the financial performance of the Company. Several factors outside the control of the Company can influence seafood demand and supply and, therefore, pricing.	Section 4.1(e)
Food safety, handling and product quality	Selling food for human consumption carries inherent risks relating to food safety. Food safety incidents (such as tampering or contamination) could result in product liability lawsuits, product recalls, reputational damage and potential civil or criminal liability. Product recalls could result in significant losses through, among other things, loss of sales, loss of key customers, inability to attract new customers and reputational damage.	Section 4.1(h)
Legal and regulatory requirements including approvals	The Company's business must adhere to numerous legal and regulatory requirements including, without limitation, in relation to product liability, food safety, environmental and export laws. This gives rise to significant compliance costs for the Company. Further, non-compliance or the introduction of new laws or regulations may have a material adverse effect on Catalano's operations, financial condition and performance.	Section 4.1(k)
Future capital requirements	The Company is currently making a loss and is unlikely to generate profit unless and until its three pillars set out in Section 2.4 are successfully developed and implemented. Even in circumstances where the Maximum Subscription is raised, the Company may in the future require additional capital as it seeks to further expand its operations. Also, it is possible further capital may be required at an earlier stage if any risks, including those described in Section 4, materialise, or equally new business opportunities materialise.	Section 4.1(o)
Infectious diseases	The outbreak of coronavirus disease (COVID-19) is having a material effect on global economic markets and the business community (including in the seafood sector). Catalano's exposure to government or industry measures taken in response to COVID-19 (including, for example, lockdowns and border restrictions) may be heightened as it expands business operations to the East Coast of Australia in light of recent COVID-19 outbreaks and such events may have a material	Section 4.2(h)

Topic	Summary	More information
	adverse impact on the Company's operations, financial performance and growth prospects. Catalano's has documented an internal policy for business continuation to help mitigate the impact of COVID-19.	
General risks	<p>The Company is subject to various general risks, including the following (among others):</p> <ul style="list-style-type: none"> (a) securities investments risk; (b) market conditions risk; (c) competition risk; (d) litigation; (e) insurance (f) taxation risk; and (g) climate change risk. 	Section 4.2
Directors, key managers, interests, benefits and related party transactions		
Who are the Directors and key management personnel?	<p>As at the Prospectus Date, the Board comprises:</p> <ul style="list-style-type: none"> • Nicolino (Nick) Catalano - CEO and Executive Chairman; • Koon Poh Low - Non-Executive Director; and • Sharmin Sahafi - Non-Executive Director. <p>Upon ASX granting conditional approval for the Company's Admission (on conditions satisfactory to the Company):</p> <ul style="list-style-type: none"> • Sharmin Sahafi will resign as Director; and • the appointments of Silvestro Moribito and May May Tan (Danielle) as Non-Executive Directors will become effective. <p>The Company's key management personnel comprises:</p> <ul style="list-style-type: none"> • David Catalano - Operations Manager; • Andrew Catalano - Factory Manager; • Mark Lupica - Retail Manager; • Paolino (Paul) Catalano - Business Development Manager; and • Michael Koukounaras - Head of Trading and Distribution (East Coast Division). <p>For biographies of the Directors and key management personnel, see Sections 6.2 and 6.3 respectively.</p>	Sections 6.1, 6.2 and 6.3

Topic	Summary	More information																																																												
<p>What interests do the Directors and key management personnel have in the securities of the Company at the Prospectus Date and on Admission?</p>	<p>As at the Prospectus Date, the Directors and key management personnel and their related entities have the following interests in Securities:</p> <table border="1" data-bbox="414 392 1141 1209"> <thead> <tr> <th>Director</th> <th>Shares</th> <th>%⁽¹⁾</th> </tr> </thead> <tbody> <tr> <td>Nick Catalano</td> <td>1,125,009</td> <td>2.12%</td> </tr> <tr> <td>Koon Poh Low</td> <td>1,744,531</td> <td>3.29%</td> </tr> <tr> <td>Sharmin Sahafi</td> <td>Nil</td> <td>0.00%</td> </tr> <tr> <td>Silvestro Morabito</td> <td>100,000</td> <td>0.19%</td> </tr> <tr> <td>May May Tan (Danielle)</td> <td>Nil</td> <td>0.00%</td> </tr> <tr> <td>KMP</td> <td></td> <td></td> </tr> <tr> <td>Paolino Catalano</td> <td>875,000</td> <td>1.65%</td> </tr> <tr> <td>David Catalano</td> <td>265,000</td> <td>0.50%</td> </tr> <tr> <td>Andrew Catalano</td> <td>345,000</td> <td>0.65%</td> </tr> <tr> <td>Mark Lupica</td> <td>230,000</td> <td>0.43%</td> </tr> <tr> <td>Michael Koukounaras</td> <td>Nil</td> <td>0.00%</td> </tr> </tbody> </table> <p style="text-align: center;">1. <i>Based on the existing Shares on issue at Admission and that no further Shares are issued and no Options exercised.</i></p> <p>Based on the intentions of the Directors and key management personnel as at the Prospectus Date, the Directors and key management personnel and their related entities will have the following interests in Securities at Admission:</p> <table border="1" data-bbox="414 1489 1141 2027"> <thead> <tr> <th>Director</th> <th>Shares</th> <th>%⁽¹⁾</th> </tr> </thead> <tbody> <tr> <td>Nick Catalano</td> <td>1,125,009</td> <td>1.41%</td> </tr> <tr> <td>Koon Poh Low</td> <td>1,744,531</td> <td>2.18%</td> </tr> <tr> <td>Silvestro Morabito</td> <td>250,000</td> <td>0.31%</td> </tr> <tr> <td>May May Tan (Danielle)</td> <td>Nil</td> <td>0.00%</td> </tr> <tr> <td>KMP</td> <td></td> <td></td> </tr> <tr> <td>Paolino Catalano</td> <td>875,000</td> <td>1.09%</td> </tr> <tr> <td>David Catalano</td> <td>265,000</td> <td>0.33%</td> </tr> </tbody> </table>	Director	Shares	% ⁽¹⁾	Nick Catalano	1,125,009	2.12%	Koon Poh Low	1,744,531	3.29%	Sharmin Sahafi	Nil	0.00%	Silvestro Morabito	100,000	0.19%	May May Tan (Danielle)	Nil	0.00%	KMP			Paolino Catalano	875,000	1.65%	David Catalano	265,000	0.50%	Andrew Catalano	345,000	0.65%	Mark Lupica	230,000	0.43%	Michael Koukounaras	Nil	0.00%	Director	Shares	% ⁽¹⁾	Nick Catalano	1,125,009	1.41%	Koon Poh Low	1,744,531	2.18%	Silvestro Morabito	250,000	0.31%	May May Tan (Danielle)	Nil	0.00%	KMP			Paolino Catalano	875,000	1.09%	David Catalano	265,000	0.33%	<p>Section 6.6</p>
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<p>What are the remuneration arrangements and benefits of the Directors and key management personnel?</p>	<p>The Directors and key management personnel will receive the following remuneration on an annual basis from Admission:</p> <table border="1" data-bbox="414 694 1141 1803"> <thead> <tr> <th data-bbox="422 705 622 761">Director</th> <th data-bbox="630 705 1133 761">Remuneration (\$)</th> </tr> </thead> <tbody> <tr> <td data-bbox="422 772 622 952">Nick Catalano</td> <td data-bbox="630 772 1133 952">Executive Chairman: \$60,000 (excluding superannuation) CEO: \$200,000 (excluding superannuation)</td> </tr> <tr> <td data-bbox="422 963 622 1019">Koon Poh Low</td> <td data-bbox="630 963 1133 1019">\$40,000 (excluding superannuation)</td> </tr> <tr> <td data-bbox="422 1030 622 1086">Sharmin Sahafi</td> <td data-bbox="630 1030 1133 1086">Nil</td> </tr> <tr> <td data-bbox="422 1097 622 1187">Silvestro Morabito</td> <td data-bbox="630 1097 1133 1187">\$40,000 (excluding superannuation)</td> </tr> <tr> <td data-bbox="422 1198 622 1288">May May Tan (Danielle)</td> <td data-bbox="630 1198 1133 1288">\$40,000 (excluding superannuation)</td> </tr> <tr> <td data-bbox="422 1299 622 1355" style="text-align: center;">KMP</td> <td data-bbox="630 1299 1133 1355"></td> </tr> <tr> <td data-bbox="422 1366 622 1456">Paolino Catalano</td> <td data-bbox="630 1366 1133 1456">\$225,000 (excluding superannuation)</td> </tr> <tr> <td data-bbox="422 1467 622 1523">David Catalano</td> <td data-bbox="630 1467 1133 1523">\$150,000 (excluding superannuation)</td> </tr> <tr> <td data-bbox="422 1534 622 1624">Andrew Catalano</td> <td data-bbox="630 1534 1133 1624">\$150,000 (excluding superannuation)</td> </tr> <tr> <td data-bbox="422 1635 622 1691">Mark Lupica</td> <td data-bbox="630 1635 1133 1691">\$140,000 (excluding superannuation)</td> </tr> <tr> <td data-bbox="422 1702 622 1792">Michael Koukounaras</td> <td data-bbox="630 1702 1133 1792">\$195,000 (excluding superannuation)</td> </tr> </tbody> </table> <p data-bbox="403 1814 1157 1881">See Section 7.5 for full details of the executive services agreement or appointment terms (as the case may be).</p> <p data-bbox="403 1892 1157 2004">The Directors and key management personnel may participate in the Company's Employee Incentive Plan, subject to the receipt of any required Shareholder approvals.</p>			Director	Remuneration (\$)	Nick Catalano	Executive Chairman: \$60,000 (excluding superannuation) CEO: \$200,000 (excluding superannuation)	Koon Poh Low	\$40,000 (excluding superannuation)	Sharmin Sahafi	Nil	Silvestro Morabito	\$40,000 (excluding superannuation)	May May Tan (Danielle)	\$40,000 (excluding superannuation)	KMP		Paolino Catalano	\$225,000 (excluding superannuation)	David Catalano	\$150,000 (excluding superannuation)	Andrew Catalano	\$150,000 (excluding superannuation)	Mark Lupica	\$140,000 (excluding superannuation)	Michael Koukounaras	\$195,000 (excluding superannuation)	<p>Sections 6.7, 7.5 and 8.4</p>
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Topic	Summary	More information															
<p>What important contracts and/or arrangements with related parties is the Company a party to?</p>	<p>The Company has entered into the following related party transactions on arms' length terms:</p> <ul style="list-style-type: none"> (a) letters of appointment with each of its Directors (or their nominees) on standard terms (see Section 7.5 for details); (b) an executive services agreement with Nick Catalano on standard terms (see Section 7.5 for details); (c) a consultancy agreement with Management Consulting Pty Limited (MMC), of which Silvestro Morabito (being a Proposed Director of Catalano's) is a director and 50% shareholder (see Section 7.5 for details); and (d) deeds of indemnity, insurance and access with each of its Directors on standard terms (see Section 7.6 for details). 	<p>Sections 7.3, 7.5, 7.6 and 8.3</p>															
<p>Who will be the substantial holders of the Company?</p>	<p>Based on the information known as at the Prospectus Date, on Admission the following persons will have an interest of more than 5% or more of the Shares on issue upon Admission:</p> <table border="1" data-bbox="435 999 1145 1406"> <thead> <tr> <th data-bbox="435 999 722 1099">Name</th> <th data-bbox="727 999 951 1099">Number of Shares</th> <th data-bbox="956 999 1145 1099">% of Shares⁽¹⁾</th> </tr> </thead> <tbody> <tr> <td data-bbox="435 1106 722 1207">Windsor Investments Pte. Ltd</td> <td data-bbox="727 1106 951 1207">11,473,648</td> <td data-bbox="956 1106 1145 1207">14.34%</td> </tr> <tr> <td data-bbox="435 1214 722 1270">Michael Marcus Liew</td> <td data-bbox="727 1214 951 1270">10,623,748</td> <td data-bbox="956 1214 1145 1270">13.28%</td> </tr> <tr> <td data-bbox="435 1276 722 1332">Eugene Pong Sin Tee</td> <td data-bbox="727 1276 951 1332">8,498,998</td> <td data-bbox="956 1276 1145 1332">10.62%</td> </tr> <tr> <td data-bbox="435 1339 722 1395">Chai Yuk Liw</td> <td data-bbox="727 1339 951 1395">4,249,499</td> <td data-bbox="956 1339 1145 1395">5.31%</td> </tr> </tbody> </table> <p data-bbox="501 1424 1150 1480">1. Based on Shares being on issue at Admission (on a Minimum Subscription basis).</p>	Name	Number of Shares	% of Shares ⁽¹⁾	Windsor Investments Pte. Ltd	11,473,648	14.34%	Michael Marcus Liew	10,623,748	13.28%	Eugene Pong Sin Tee	8,498,998	10.62%	Chai Yuk Liw	4,249,499	5.31%	<p>Section 8.5</p>
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<p>What are the Lead Manager's interests in the Securities of the Company at the Prospectus Date and on Admission?</p>	<p>As at the Prospectus Date, the Lead Manager and Co-Lead Manager and their respective associates do not have a relevant interest in any Securities.</p> <p>Upon Admission, the Lead Manager and their associates are expected to have the following interests:</p> <ul style="list-style-type: none"> • 500,000 Shares; and • 2,500,000 Options. <p>The Co-Lead Manager and their associates are not expected to have any interests in the Securities of the Company.</p>	<p>Section 1.10(b)</p>															

Topic	Summary	More information
Financial information		
What is the Company's financial position?	A summary of the Company's financial information is included in Section 5 and in the Independent Limited Assurance Report (included in Annexure A). Investors are cautioned that the company is currently making a loss.	Section 5 and Annexure A
Are there forecasts of future earnings?	Notwithstanding the Company has been operating for over 50 years, future revenues and expenses of the Company cannot be reliably forecasted owing to Catalano's recent transition from a family-owned business to a new corporate entity and shift in growth strategy. Given the uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company operates, as well as uncertain macro market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On these bases and after considering ASIC Regulatory Guide 170, the Directors do not believe they have a reasonable basis to reliably forecast future earnings and accordingly forecast financials are not included in this Prospectus.	Section 1.12
Will the Company have sufficient funds for its stated objectives?	The Company will have sufficient working capital at the time of Admission to carry out its stated objectives.	Section 1.7
What is the Company's dividend policy?	The Company does not expect to pay dividends in the near future as its focus will primarily be on growing the existing business. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings, operating results, the financial condition of the Company, future capital requirements and other factors considered relevant by the Directors. The Company cannot give any assurances in relation to the payment of dividends or franking credits.	Section 2.8
Summary of the Offers		
What are the Offers?	The Public Offer is an initial public offering of a minimum of 25,000,000 Shares and a maximum of 30,000,000 Shares at the Offer Price to raise a minimum of \$5,000,000 and a maximum of \$6,000,000 (before costs). The Public Offer is made to the general public. This Prospectus also contains an offer of 500,000 Shares and 2,500,000 Options to the Lead Manager (or its respective nominees).	Sections 1.1, 1.2 and 1.3

Topic	Summary	More information										
What is the Offer Price under the Public Offer?	\$0.20 per Share.	Section 1.1										
Is there a Minimum Subscription?	<p>Yes, the minimum subscription is \$5,000,000 (before costs) (being the issue of a minimum of 25,000,000 Shares) (Minimum Subscription).</p> <p>If the Minimum Subscription is not raised within four months of the Prospectus Date (or such period as varied by ASIC), the Company will not proceed with the Public Offer and will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).</p>	Section 1.5										
Why is the Public Offer being conducted and what are the proposed use of funds?	<p>The purpose of the Public Offer is to:</p> <ul style="list-style-type: none"> • primarily support the Company's pursuit of its key objectives described in Section 2.4; • assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for Admission; • provide the Company with access to capital markets to improve financial flexibility; and • provide the Company with the benefits of an increased profile that arises from being a listed entity. <p>The Company's source of funds and intended use of funds, assuming completion of the Public Offer, is set out in Section 1.7. The allocation of funds may change depending on several factors, including market conditions, the development of new opportunities and materialisation of any risks described in Section 4, and actual expenditure levels may differ significantly from the above estimates.</p>	Sections 1.4 and 1.7										
What is the effect of the Public Offer on the capital structure of the Company?	<p>The Company's capital structure upon Admission will be as follows:</p> <table border="1" data-bbox="411 1753 1142 1953"> <thead> <tr> <th data-bbox="411 1753 587 1843" rowspan="2">Capital Structure</th> <th colspan="2" data-bbox="587 1753 986 1843">Shares</th> <th data-bbox="986 1753 1142 1843" rowspan="2">Options⁽¹⁾</th> </tr> <tr> <th data-bbox="587 1843 794 1953">Minimum Subscription</th> <th data-bbox="794 1843 986 1953">Maximum Subscription</th> </tr> </thead> <tbody> <tr> <td data-bbox="411 1953 587 1953"></td> <td data-bbox="587 1953 794 1953"></td> <td data-bbox="794 1953 986 1953"></td> <td data-bbox="986 1953 1142 1953"></td> </tr> </tbody> </table>	Capital Structure	Shares		Options ⁽¹⁾	Minimum Subscription	Maximum Subscription					Section 1.8
Capital Structure	Shares		Options ⁽¹⁾									
	Minimum Subscription	Maximum Subscription										

Topic	Summary				More information
	Existing Securities on issue	52,995,000	52,995,000	Nil	
	Conversion Shares to be issued on completion of the Offers ⁽²⁾	1,500,000	1,500,000	Nil	
	Total number of Shares to be issued under the Public Offer	25,000,000	30,000,000	Nil	
	Total number of Securities to be issued to the Lead Manager ⁽³⁾	500,000	500,000	2,500,000	
	Total Securities on issue on completion of the Offers⁽⁴⁾	79,995,000	84,995,000	2,500,000	
	<ol style="list-style-type: none"> 1. See Section 8.2 for the terms of issue of the Options. 2. See Section 8.3 for further details regarding the Conversion Shares. 3. See Section 7.1 for further details of the fees payable to the Lead Manager. 4. Assuming no further Shares are issued and none of the Options are exercised. Note the Company intends to undertake an offer of loyalty Options within six months of Admission. See Section 1.9 for further details. <p>The Company's free float at the time of Admission will not be less than 20%.</p>				
Who is eligible to participate in the Public Offer?	<p>The Public Offer is open to all investors with a registered address in Australia and certain investors in Hong Kong, Malaysia and Singapore as set out in Section 1.20.</p> <p>The Lead Manager Offer is only open to the Lead Manager and its nominees and will not raise any funds as it comprises</p>				Sections 1.20 and 1.21

Topic	Summary	More information
	<p>the issue of Securities to the Lead Manager as part consideration for capital raising services provided to the Company in connection with the Public Offer.</p> <p>No action has been taken to register or qualify the Securities the subject of the Prospectus, or the Public Offer, or otherwise to permit the public offering of the Securities in any jurisdiction outside Australia.</p>	
How do I apply for Shares under the Public Offer?	<p>Applicants can apply for Shares under the Offers online on the offer website at https://catalanoipo.thereachagency.com/ and pay directly via BPAY® (for Applicants with an eligible Australian bank account). The Share Registry can be contacted via the Offer Information Line if an Applicant is unable to pay via BPAY® or a personalised Application Form is required. Applicants should take into account BPAY® processing times or mail times.</p>	Section 1.13
When will I know if my Application was successful?	<p>It is expected that holding statements will be sent to successful applicants on or about 18 February 2022 (subject to any extension of the Offers).</p>	Section 1.15
What are the terms of the Securities offered under the Offers?	<p>All Shares issued under the Offers will rank equally with the existing Shares on issue. The rights and liabilities attaching to the Shares are further described in Section 8.1.</p> <p>The terms and conditions of the Options under the Lead Manager Offer are in Section 8.2.</p>	Sections 1.1, 1.2, 1.3, 8.1 and 8.2
Is there a cooling off period?	No.	N/A
Can the Public Offer be withdrawn?	<p>Yes. The Company may withdraw the Public Offer at any time before the issue of Shares to successful Applicants under the Public Offer.</p> <p>If the Public Offer, or any part of it, does not proceed, all relevant Application Monies will be refunded (without interest).</p>	Section 1.17
Who is the Lead Manager and Co-Lead Manager?	<p>The Lead Manager is RM Corporate Finance Pty Ltd.</p> <p>The Co-Lead Manager is Auspac Financial Advisory Pty Ltd.</p>	Section 1.10
Is the Public Offer underwritten?	No.	Section 1.10
Will the Shares be quoted?	<p>Within seven days after the Prospectus Date, the Company will apply to ASX for Admission and Official Quotation of its Shares.</p> <p>If ASX does not grant permission within three months after the Prospectus Date (or any longer period permitted by law), the Public Offer will be withdrawn and all Application Monies will</p>	Section 1.16

Topic	Summary	More information
	be refunded to Applicants (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.	
Are there any escrow arrangements?	<p>Yes, there are compulsory escrow arrangements under the Listing Rules.</p> <p>None of the Shares issued pursuant to the Public Offer are expected to be restricted securities.</p> <p>The Options issued under the Lead Manager Offer will be classified as restricted securities by ASX.</p> <p>The Company anticipates that upon Admission approximately 49,975,000 Shares will be classified as restricted securities by ASX, which based on the Minimum Subscription, comprises approximately 62.5% of the issued share capital on an undiluted basis, and approximately 60.6% on a fully diluted basis (assuming all Options are issued and exercised and that no other Shares are issued).</p>	Section 1.22
Is there any brokerage, commission or stamp duty payable by Applicants?	No brokerage, commission or stamp duty should be payable by Applicants on acquisition of Shares under the Public Offer.	Section 1.13(a)
How can I find out more about the Prospectus or the Offers?	Questions relating to the Offer and the completion of an Application Form can be directed to the Offer Information Line on 1300 396 574 (within Australia) or +61 3 9415 4130 (outside Australia) 8:30am to 5:00pm (Sydney time) Monday to Friday during the offer period.	Section 1.26

1. Details of the Offers

1.1 The Offers

The Public Offer is an initial public offering of Shares, at an offer price of \$0.20 per Share (**Offer Price**), for a minimum of 25,000,000 Shares and a maximum of 30,000,000 Shares to raise a minimum of \$5,000,000 and a maximum of \$6,000,000 (before costs).

This Prospectus also incorporates the offer of 2,500,000 Options and 500,000 Shares to be issued to the Lead Manager (or their respective nominees) as part consideration for provision capital raising and joint bookrunner services provided to the Company.

The Offers are made with disclosure under this Prospectus and is made on the terms, and is subject to the conditions, set out in this Prospectus.

1.2 Public Offer

The Prospectus invites Applications for a minimum of 25,000,000 Shares and a maximum of 30,000,000 Shares at an issue price of \$0.20 per Share to raise a minimum of \$5,000,000 and a maximum of \$6,000,000 (before costs) (**Public Offer**).

The Shares to be issued by the Company pursuant to the Public Offer are of the same class and will rank equally with the existing Shares on issue. The rights and liabilities attaching to the Shares are further described in Section 8.1.

The Public Offer is open to members of the general public with a registered address in Australia (and certain investors in Hong Kong, Malaysia and Singapore). See Section 1.13 for details on how to make an Application for Shares under the Public Offer.

1.3 Lead Manager Offer

This Prospectus includes a separate offer of 2,500,000 Options and 500,000 Shares (together, the **Lead Manager Securities**), to the Lead Manager (or their respective nominees) under this Prospectus (**Lead Manager Offer**).

The Company has agreed to issue the Lead Manager Securities to the Lead Manager (or their respective nominees) upon successful completion of the Public Offer as part consideration for the provision of capital raising and joint bookrunner services provided in connection with the Public Offer. Accordingly, no funds will be raised from the Lead Manager Offer.

Only the Lead Manager (or their respective nominees) may accept the Lead Manager Offer.

The Lead Manager Offer is being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale or transfer of any Shares issued and any Shares issued upon exercise of any Options into Shares.

An Application Form in relation to the Lead Manager Offer will be issued to the Lead Manager (or their respective nominees) together with a copy of this Prospectus.

See Section 7.1 for a summary of the Lead Managers' Mandate.

1.4 **Purpose of the Public Offer**

The purpose of this Prospectus is to:

- (a) raise a minimum of \$5,000,000 (before costs) under the Public Offer;
- (b) assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for Admission;
- (c) position the Company to seek to achieve the objectives detailed in Section 2.4;
- (d) provide the Company with access to capital markets to improve financial flexibility; and
- (e) provide the Company with the benefits of an increased profile that arises from being a listed entity.

1.5 **Minimum Subscription**

The minimum subscription under the Public Offer is \$5,000,000 (before costs) (being 25,000,000 Shares) (**Minimum Subscription**).

None of the Securities offered under this Prospectus will be issued if Applications are not received for the Minimum Subscription. Should Applications for the Minimum Subscription not be received within four months from the Prospectus Date, the Company will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).

1.6 **Conditional Offers**

The Offers under this Prospectus are conditional upon the following events occurring:

- (a) the Company raising the Minimum Subscription;
- (b) to the extent required by ASX or the Listing Rules, certain persons entering into a restriction agreement imposing such restrictions on trading on the Company's Securities as mandated by the Listing Rules; and
- (c) ASX providing the Company with a list of conditions which, once satisfied, will result in ASX admitting the Company to the Official List.

If these conditions are not satisfied, then the Offers will not proceed and the Company will repay all Application Monies received under the Offers to the Applicants (without interest) in accordance with the Corporations Act.

1.7 **Proposed use of funds**

Following the Public Offer, it is anticipated that the following funds will be available to the Company:

Source of funds	\$	
	Minimum Subscription	Maximum Subscription
Existing cash as at 30 November 2021 ⁽¹⁾	385,911	385,911
Proceeds from the issue of Shares under the Public Offer	5,000,000	6,000,000
Total funds available	5,385,911	6,385,911

1. See the financial information set out in Section 5 for further details.

The following table shows the intended use of funds in the 24-month period following Admission:

Use of funds Year 1	Minimum Subscription		Maximum Subscription	
	\$	%	\$	%
Sales, marketing and distribution	950,000	17.64%	1,350,000	21.14%
Seafood Management Solution, plant and development	600,000	11.14%	600,000	9.40%
Processing upgrades & equipment	1,000,000	18.57%	1,250,000	19.57%
General administration fees, HR, director fees and working capital ⁽¹⁾⁽²⁾	682,219	12.67%	776,659	12.16%
Estimated expenses of the Offers ⁽³⁾	621,473	11.54%	682,593	10.69%
TOTAL FUNDS ALLOCATED YEAR 1	3,853,692	72%	4,659,252	73%
Use of funds Year 2				

Sales, marketing and distribution	250,000	4.64%	350,000	5.48%
Seafood Management Solution, plant and development	600,000	11.14%	600,000	9.40%
General administration fees, HR, director fees and working capital ⁽¹⁾⁽²⁾	682,219	12.67%	776,659	12.16%
TOTAL FUNDS ALLOCATED YEAR 2	1,532,219	28%	1,726,659	27%
TOTAL FUNDS ALLOCATED	5,385,911	100%	6,385,911	100%

1. See Section 6.7 for further details of the Directors' remuneration.
2. Working capital includes the general costs associated with the management and operation of the business including administration expenses, rent, director fees and other associated costs. Working capital also includes surplus funds. The Directors will allocate surplus funds at their discretion.
3. Expenses paid or payable by the Company in relation to the Offers is set out in Section 8.8.

The above table is a statement of current intentions as at the Prospectus Date. Prospective investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including market conditions, the development of new opportunities and/or any number of other factors (including the risk factors set out in Section 4), and actual expenditure levels, may differ significantly from the above estimates.

The Company believes that the funds raised from the Public Offer will provide it with sufficient working capital to fund its near-term capital commitments and to achieve its stated objectives as detailed in this Prospectus.

The use of further equity funding may be considered by the Company where it is appropriate to accelerate a specific project or strategy.

Based on the intended use of funds detailed above, the amounts raised pursuant to the Public Offer will provide the Company with sufficient funding for approximately the 24-month period following Admission. The future capital requirements of the Company will depend on many factors including:

- a) the risk factors set out in Section 4; and
- b) the outcome of operational activities, regulatory developments and market and general economic conditions.

The Company believes its available cash and the net proceeds of the Public Offer should be adequate to fund its business objectives in the short term as stated in this Prospectus,

however, the Company may require further financing in the future. See Section 4.1(o) for further details about the risks associated with the Company's future capital requirements.

1.8 Capital structure on Admission

On the basis that the Company completes the Offers on the terms in this Prospectus, the Company's capital structure will be as follows:

Capital structure	Shares		Options ⁽¹⁾
	Minimum Subscription	Maximum Subscription	
Existing Securities on issue	52,995,000	52,995,000	Nil
Conversion Shares to be issued on completion of the Offers ⁽²⁾	1,500,000	1,500,000	Nil
Total number of Shares to be issued under the Public Offer	25,000,000	30,000,000	Nil
Total number of Securities to be issued to the Lead Manager ⁽³⁾	500,000	500,000	2,500,000
Total Securities on issue on completion of the Offers⁽⁴⁾	79,995,000	84,995,000	2,500,000

1. See Section 8.2 for the terms of issue of the Options.
2. See Section 8.3 for further details regarding the Conversion Shares.
3. See Section 7.1 for further details of the fees payable to the Lead Manager.
4. Assuming no further Shares are issued and none of the Options are exercised. Note the Company intends to undertake an offer of loyalty Options within six months of Admission. See Section 1.9 for further details.

The Company's free float at the time of Admission will be not less than 20%.

1.9 Loyalty Options

The Company may, at the sole discretion of the Board, undertake a pro rata non-renounceable entitlement issue of loyalty Options in which Shareholders registered on the share register of the Company at a record date, will be entitled to participate. The terms of the loyalty Options are expected to be announced with the record date within six months of Admission.

The future issue of loyalty Options would be offered under a separate prospectus and it is proposed that, for a nominal issue price per Option, one (1) loyalty Option will be granted for every two (2) Shares held by eligible Shareholders on the record date (other than Shares held by Shareholders with a registered address outside of Australia). It is expected that the loyalty

Options will have an expiry date approximately 3 years from the date of issue and the exercise price will be determined at the time that the issue is announced.

The Company strongly cautions investors that there is no certainty that the Company will undertake a loyalty Option offer.

1.10 **Lead Manager and Co-Lead Manager**

The Public Offer is not underwritten. RM Corporate Finance Pty Ltd (**Lead Manager**) has been appointed as exclusive Lead Manager with Auspac Financial Advisory Pty Ltd appointed as Co-Lead Manager (**Co-Lead Manager**) to the Public Offer. The Lead Manager and Co-Lead Manager are parties to the Lead Managers' Mandate (summarised in Section 7.1).

(a) **Fees payable to the Lead Manager and Co-Lead Manager**

The Company has or will pay to the Lead Manager and Co-Lead Manager certain cash fees in connection with the Offers as summarised in Section 7.1.

(b) **Lead Manager and Co-Lead Manager interests in Securities**

As at the Prospectus Date, the Lead Manager and Co-Lead Manager and their respective associates do not have a relevant interest in any Securities.

Based on the information available to the Company as at the Prospectus Date regarding the intentions of the Lead Manager and Co-Lead Manager and their respective associates in relation to the Public Offer and assuming:

- (i) the Maximum Subscription is achieved under the Public Offer; and
- (ii) neither of the Lead Manager and Co-Lead Manager nor their respective associates take up any Shares under the Public Offer,

the Lead Manager and their respective associates will have a relevant interest in 500,000 Shares and 2,500,000 Options on Admission and the Co-Lead Manager and their associates are not expected to have any interests in the Securities of the Company.

(c) **Lead Manager and Co-Lead Manager participation in previous placements**

The Lead Manager and Co-Lead Manager have not participated in a placement of Securities by the Company in the two years preceding lodgement of this Prospectus.

1.11 **Corporate Advisor**

Ventnor Capital Pty Ltd (**Corporate Advisor**) has been appointed as corporate advisor to the Company. The Corporate Advisor is a party to the Corporate Advisor Mandate that is summarised in Section 7.2.

(a) **Fees payable to the Corporate Advisor**

The Company has or will pay to the Corporate Advisor certain cash fees in connection with the Public Offer, in accordance with the Corporate Advisor Mandate summarised in Section 7.2.

(b) **Corporate Advisor's interests in Securities**

As at the Prospectus Date, the Corporate Advisor and its associates have a relevant interest in 500,000 Shares.

Based on the information available to the Company as at the date of the Prospectus regarding the intentions of the Corporate Advisor and its associates in relation to the Offers and assuming:

- (i) the Maximum Subscription is achieved under the Public Offer; and
- (ii) neither of the Corporate Advisor nor its associates take up any Shares under the Public Offer,

the Corporate Advisor and its associates will have a relevant interest in 500,000 Shares on Admission.

(c) **Corporate Advisor's participation in previous placements**

The Corporate Advisor has not participated in a placement of Securities by the Company in the two years preceding lodgement of this Prospectus.

1.12 **Forecast financial information**

Notwithstanding the Company has been operating for over 50 years, future revenues and expenses of the Company cannot be reliably forecasted owing to Catalano's recent transition from a family-owned business to a new corporate entity and shift in growth strategy. Given the uncertainty as to timing and outcome of the Company's growth strategies and the general nature of the industry in which the Company operates, as well as uncertain macro market and economic conditions in the Company's markets, the Company's performance in any future period cannot be reliably estimated. On these bases and after considering ASIC Regulatory Guide 170, the Directors do not believe they have a reasonable basis to reliably forecast future earnings and accordingly forecast financials are not included in this Prospectus.

1.13 **Applications**

(a) **The Public Offer**

Applications for Shares under the Public Offer can be made using the Application Form accompanying this Prospectus. The Application Form must be completed in accordance with the instructions set out on the form.

No brokerage, stamp duty or other costs are payable by Applicants.

(i) **Option 1: Submit an online Application Form and pay with BPAY®**

For online applications, investors can apply online with payment made electronically via BPAY®. Investors applying online will be directed to use an online Application Form and make payment by BPAY®. Applicants will be given a BPAY® biller code and a customer reference number (**CRN**) unique to the online Application once the online Application Form has been completed.

BPAY® payments must be made from an Australian dollar account of an Australian institution. Using the BPAY® details, Applicants must:

- (A) access their participating BPAY® Australian financial institution either via telephone or internet banking;
- (B) select to use BPAY® and follow the prompts; enter the biller code and unique CRN that corresponds to the online Application;
- (C) enter the amount to be paid which corresponds to the value of Shares under the online Application Form;
- (D) select which account payment is to be made from;
- (E) schedule the payment to occur on the same day that the online Application Form is completed. Applications without payment will not be accepted; and
- (F) record and retain the BPAY® receipt number and date paid.

Investors should confirm with their Australian financial institution whether there are any limits on the Investor's account that may limit the amount of any BPAY® payment and the cut off time for the BPAY® payment.

Investors can apply online by following the instructions at <https://catalanoipo.thereachagency.com/> and completing a BPAY® payment. If payment is not made via BPAY®, the Application will be incomplete and will not be accepted. The online Application Form and BPAY® payment must be completed and received by no later than the Closing Date.

(ii) **Option 2: Submit an online Application Form and pay via Electronic Funds Transfer "EFT"**

Investors can apply online with payment made electronically via EFT. Investors applying online will be directed to use an online Application Form and will be given a payment reference number unique to the online Application once the online Application Form has been completed.

EFT payments must be received in Australian dollars (\$AUD). Using EFT payment details, Applicants must:

- (A) use the unique payment reference number that corresponds to the online Application Form;
- (B) enter the amount to be paid which corresponds to the value of Shares under the online Application Form;
- (C) select which account payment is to be made from;
- (D) schedule the payment to occur on the same day that the online Application Form is completed. Applications without payment will not be accepted; and
- (E) record and retain the EFT receipt number and date paid.

Applicants should confirm with their Australian financial institution whether there are any limits on the Applicant's account that may limit the amount of any EFT payment and the cut off time for the funds transfer.

An original, completed and lodged Application Form together with confirmation of BPAY® or EFT payment for the Application Monies, constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Application Form. The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an Application as valid and how to construe amend or complete the Application Form is final; however an applicant will not be treated as having applied for more Shares than is indicated by the amount of the BPAY® or EFT for the Application Monies.

It is the responsibility of Applicants outside of Australia to obtain all necessary approvals for the allotment and issue of Shares pursuant to this Prospectus.

The return of a completed Application Form with the requisite Application Monies (if applicable) will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained and that the Applicant:

- (i) agreed to be bound by the terms of the Public Offer;
 - (ii) agreed to be bound by the terms of the Constitution;
 - (iii) acknowledged having personally received a printed or electronic copy of the Prospectus (and any supplementary or replacement prospectus) including or accompanied by the Application Form and having read them all in full;
 - (iv) declares that all details and statements in the Application Form are complete and accurate;
 - (v) declares that, if they are an individual, they are over 18 years of age and have full legal capacity and power to perform all its rights and obligations under the Application Form;
 - (vi) acknowledged that, once the Company receives an Application Form, it may not be withdrawn;
 - (vii) applied for the number of Shares at the Australian dollar amount shown on the front of the Application Form;
 - (viii) agreed to being allocated and issued or transferred the number of Shares applied for (or a lower number allocated in a way described in this Prospectus), or no Shares at all;
 - (ix) acknowledged that the Company may not pay dividends, or that any dividends paid may not be franked;
 - (x) declared that the Applicant(s) is/are a resident of Australia;

- (xi) authorises the Company and its respective officers or agents, to do anything on their behalf necessary for the Shares to be issued to them, including to act on instructions of the Company's Share Registry upon using the contact details set out in the Application Form;
- (xii) acknowledges that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Shares are suitable for them given their investment objectives, financial situation or particular needs;
- (xiii) acknowledges that the Shares have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia, and accordingly, the Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws;
- (xiv) acknowledged and agreed that the Public Offer may be withdrawn by the Company, or may otherwise not proceed in the circumstances described in this Prospectus; and
- (xv) acknowledged and agreed that if the listing does not occur for any reason, the Public Offer will not proceed.

The Public Offer may be closed at an earlier date and time at the discretion of the Directors, without prior notice. Applicants are therefore encouraged to submit their Application Forms as early as possible. However, the Company reserves the right to extend the Public Offer or accept late Applications.

Applications under the Public Offer must be for a minimum of 10,000 Shares (\$2,000) and then in increments of 2,500 Shares (\$500).

Applications for Shares under the Public Offer must be made on the relevant Application Form accompanying this Prospectus and received by the Company on or before the Closing Date.

(b) Lead Manager and Co-Lead Manager Offer

Only the Lead Manager (or their respective nominees) may accept the Lead Manager Offer. A personalised application form in relation to the Lead Manager Offer will be issued to the Lead Manager (or their respective nominees) together with a copy of this Prospectus.

No monies are payable for the Lead Manager Securities under the Lead Manager Offer.

1.14 Application Monies to be held in trust

To the extent required by the Corporations Act, until the Shares are issued under this Prospectus, the Application Monies for Shares will be held by the Company on trust on behalf of Applicants in a separate bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus. However, the Company will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest. If the Shares to be issued under this Prospectus are not admitted to

Official Quotation within three months after the Prospectus Date, no Shares will be issued and Application Monies will be refunded in full without interest in accordance with the Corporations Act.

1.15 **Allocation policy**

The Company retains an absolute discretion to allocate Shares under the Public Offer and reserves the right, in its absolute discretion, to allot to an Applicant a lesser number of Shares than the number for which the applicant applies or to reject an Application Form. If the number of Shares allotted is fewer than the number applied for, surplus application money will be refunded without interest as soon as practicable.

No Applicant under the Public Offer has any assurance of being allocated all or any Shares applied for. The allocation of Shares by Directors (in conjunction with the Lead Manager and Co-Lead Manager) will be influenced by the following factors:

- (a) the number of Shares applied for;
- (b) the overall level of demand for the Public Offer;
- (c) the timeliness of the bid by particular Applicants;
- (d) the desire for a spread of investors, including institutional investors;
- (e) recognising the ongoing support of existing Shareholders;
- (f) the likelihood that particular Applicants will be long-term Shareholders;
- (g) the desire for an informed and active market for trading Shares following completion of the Public Offer;
- (h) ensuring an appropriate Shareholder base for the Company going forward; and
- (i) any other factors that the Company and the Lead Manager and Co-Lead Manager consider appropriate.

The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for.

1.16 **ASX listing**

Within seven days after the Prospectus Date, the Company will apply to ASX for Admission and Official Quotation of its Shares. The Company confirms that the issue price of all securities for which the Company will apply for Official Quotation is at least \$0.20 in cash.

Completion is conditional on ASX approving this application on conditions acceptable to the Company. If ASX does not grant permission within three months after the Prospectus Date (or any longer period permitted by law), the Public Offer will be withdrawn and all Application Monies will be refunded to Applicants (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may admit the Company to the Official List is not to be taken in any way as an indication of the merits of the Company or the Shares offered pursuant to this Prospectus.

1.17 Discretion regarding the Public Offer

The Company may, after consultation with the Lead Manager and Co-Lead Manager, withdraw the Public Offer at any time before the issue of Shares to successful Applicants under the Public Offer. If the Public Offer does not proceed, all relevant Application Monies will be refunded (without interest).

The Lead Manager, Co-Lead Manager and the Company also reserve the right to, subject to the Corporations Act, extend the Public Offer, accept late Applications either generally or in particular cases, reject any Application or allocate to any Applicant fewer Shares than the amount applied for.

1.18 Commencement of trading

It is the responsibility of each person who trades in Shares to confirm their holding before trading in Shares. If you sell Shares before receiving a holding statement, you do so at your own risk. The Company, the Share Registry, the Lead Manager and the Co-Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who sell Shares before receiving their holding statement, whether on the basis of a confirmation of allocation provided by any of them, by a broker or otherwise.

1.19 CHESS and issuer sponsorship

The Company will apply to participate in CHESS. All trading on the ASX will be settled through CHESS. ASX Settlement, a wholly owned subsidiary of the ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules. On behalf of the Company, the Share Registry will operate an electronic issuer sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of securities.

Under CHESS, the Company will not issue certificates to Shareholders. Rather, holding statements (similar to bank statements) will be sent to Shareholders as soon as practicable after allotment. Holding statements will be sent either by CHESS (for Shareholders who elect to hold Shares on the CHESS sub-register) or by the Company's Share Registry (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). The statements will set out the number of existing Shares (where applicable) and the number of new Shares allotted under this Prospectus and provide details of a Shareholder's holder identification number (for Shareholders who elect to hold Shares on the CHESS sub-register) or Shareholder reference number (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). Updated holding statements will also be sent to each Shareholder at the end of each month in which there is a transaction on their holding, as required by the Listing Rules.

1.20 Overseas Applicants

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia, may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Securities or otherwise permit an offering of the Securities the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia, should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

If you are outside Australia, it is your responsibility to obtain all necessary approvals for the issue of the Securities pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

1.21 Notice to foreign Applicants

(a) Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the Securities have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted Securities may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

(b) Malaysia

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to any offer of Securities. The Securities may not be offered, sold or issued in Malaysia except pursuant to, and to persons prescribed under, Schedules 5 and 6 of the Malaysian Capital Markets and Services Act.

(c) Singapore

This document and any other materials relating to the Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Securities, may not be issued, circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities

and Futures Act, Chapter 289 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an "institutional investor" (as defined in the SFA) or (ii) an "accredited investor" (as defined in the SFA). If you are not an investor falling within one of these categories, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

1.22 **Escrow arrangements**

ASX will classify certain existing Shares on issue in the Company (as opposed to those to be issued under this Prospectus) as being subject to the restricted securities provisions of the Listing Rules. Classified Shares would be required to be held in escrow for up to 24 months and would not be able to be sold, mortgaged, pledged, assigned or transferred for that period without the prior approval of ASX. During the period in which these Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.

Prior to the Company's Shares being admitted to Official Quotation on the ASX, the Company will enter into escrow agreements with certain recipients of the restricted Securities in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX full details (quantity and duration) of the Securities required to be held in escrow.

As at the Prospectus Date, the Company expects approximately 3,325,000 Shares to be subject to 12-month escrow and 46,650,000 Shares and 2,500,000 Options to be subject to 24 months escrow. The Company may also, in its discretion, resolve to enter into voluntary restriction agreements.

1.23 **Taxation**

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them in relation to the Public Offer, by consulting their own professional tax advisers. To the maximum extent permitted by law, neither the Company nor any of its Directors, officers nor any of their respective advisers accepts any liability or responsibility in respect of the taxation consequences of the matters referred to above.

1.24 **Privacy disclosure**

Persons who apply for Securities pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess Applications for Securities, to provide facilities and services to security holders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If you do not provide the information required on the relevant Application Form, the Company may not be able to accept or process your Application.

An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

1.25 **Paper copies of Prospectus**

The Company will provide paper copies of this Prospectus (including any supplementary or replacement document) and the Application Form to investors upon request and free of charge. Requests for a paper copy Prospectus and Application Form should be directed to the Company Secretary on +61 8 9482 0500.

1.26 **Enquiries**

This Prospectus provides information for potential investors in the Company and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or independent financial adviser.

Questions relating to the Offers and the completion of an Application Form can be directed to the Offer Information Line on 1300 396 574 (within Australia) or +61 3 9415 4130 (Outside Australia) 8:30am to 5:00pm (Sydney time) Monday to Friday during the offer period.

2. **Company Overview**

2.1 **Background to the Company**

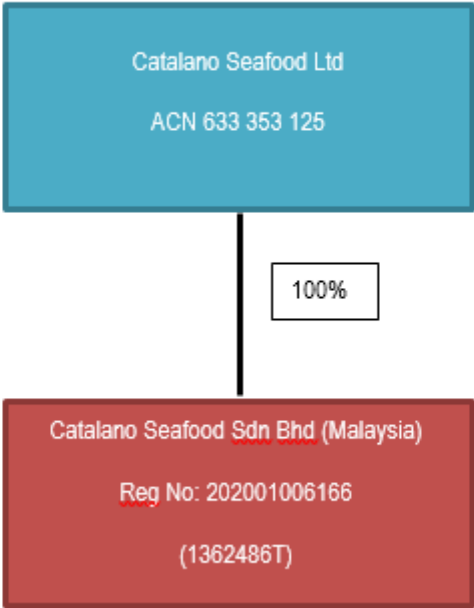
The Company, which was incorporated on 9 May 2019 in Western Australia and on 21 October 2021 converted to a public company limited by shares, is a seafood processor, wholesaler, retailer and exporter. The Company is based in Bassendean, in Perth, Western Australia, and operates from various Catalano-licenced locations across Perth.

The Company has been trading since 1969 in the seafood industry, having recently transitioned from a family-owned business (operated through the Catalano Unit Trust) to a new corporate entity (Catalano Seafood Ltd). Catalano’s has established itself as a vertically integrated company, operating from ocean-to-plate within Western Australia owing to its strong relationships across the seafood supply chain from third party fisheries through the Company’s own processing capabilities to its key wholesale and retail connections/arrangements (these relationships collectively, Catalano’s **“ocean-to-plate” network**). It currently has over 80 employees in Western Australia and one distribution manager in Victoria.

As at the Prospectus Date, the Company has 60 WA-based key customers and an undocumented distribution arrangement via Metcash, the franchisor of the IGA independent supermarket group. The Company primarily operates in the processing wholesale and retail markets in Australia. The Directors consider the Company is now well positioned in the WA seafood market to leverage its existing “ocean-to-plate” network and expand its operations across Australia, specifically through upgrade of its Processing Facility and roll out of its “Seafood Management Solution” (see Section 2.3 below).

2.2 **Company structure and Board**

From Admission, the Company’s structure chart is as follows:



The Malaysian subsidiary was incorporated in 2020 for the purposes of a seafood distribution arrangement in Malaysia but remains a dormant entity. The funds raised under the Public

Offer are therefore not relevant to this entity and will only be used by the Company for the Company's current and planned business operations in Australia. The Directors do not at this stage have any intention to develop overseas seafood processing, retail or distribution capabilities.

The Company currently exports to various markets particularly to Asian countries, however the Company's exports to Asia are not considered by the Company to be material in nature.

From Admission, the Company's Board will comprise:

- (a) Nicolino (Nick) Catalano (CEO and Executive Chairman);
- (b) Koon Poh Low (Non-Executive Director);
- (c) Silvestro Morabito (Non-Executive Director); and
- (d) May May Tan (Danielle) (Non-Executive Director).

See Sections 6.2 and 6.3 of this Prospectus for the biographies of Catalano's Directors and key management personnel.

2.3 **Business model and key customers / distributors**

The Company's "Seafood Management Solution" is integral to its growth strategy in the retail sector. The Company has developed and invested in equipment to provide a service to independent and franchise owned supermarkets that do not have a seafood offering for their customers. The solution involves placing Catalano-branded retail equipment (for example, a Catalano-branded fridge or freezer) in the supermarket for the retail sale of quality fresh, chilled and frozen seafood and associated complementary products. Through the Company's vast industry experience, it is able to provide independent supermarkets an offering where Catalano's takes care of all aspects of the seafood product line. This service offering ensures that quality products, storage, packaging, stock rotations and branding are handled by the experienced Catalano's team, with consequential increased revenue opportunity for both the supermarkets and Catalano's (this service offering, Catalano's "**Seafood Management Solution**").

The Company's growth strategy can be broken down into three pillars (each of which is discussed below). Catalano's "ocean-to-plate" network underpins this growth strategy.

(a) **Processing**

The Company has processing infrastructure at its facility in Bassendean, Perth (**Processing Facility**) which deploys accredited quality assured systems for processing, packaging and delivering seafood products to wholesale and retail customers. Catalano's processing capabilities have been developed by an experienced team over several years.

The growing demand for toll processing for products such as "Australian processed" prawns and Patagonian Toothfish together with Catalano's planned rollout of the "Seafood Management Solution" outweigh current processing capacity. By investing in equipment to increase toll processing efficiencies, the Company plans to expand its service capability.

Catalano's provides seafood processing services to the following key customers at the Prospectus Date:

- Austral Fisheries Pty Ltd – the Company provides export and domestic processing services – multiple products (including, for example, Prawns, Patagonian Toothfish and Octopus);
- Marine Produce Australia Pty Ltd – the Company provides Barramundi export and domestic processing services;
- Ocean Grown Abalone – the Company provides export packing services;
- MG Kailis Group – the Company provides export packaging, domestic order fulfilment and logistic services;
- KB Foods (previously Kailis Bros) – the Company provides export and domestic processing services;
- Wild Oceans Pty Ltd – the Company provides retail packaging to majors (including, for example, King Crab packaging);
- Wild Barra Pty Ltd – the Company provides processing and packaging development services;
- Westmore Seafoods Pty Ltd - the Company provides processing services;
- Curtin University – Curtin provides scientific research to the seafood industry. Curtin commissions Catalano to provide the physical processing research component as part of the university's seafood R&D program; and
- Catalano's has seasonal clients for its toll processing services to mitigate oversupply or undersupply instances or trial products into new markets.

Catalano's does not have formal contracts in place with its key customers. See Section 4.1(b) for a summary of the risks inherent in these arrangements.

(b) **Retail**

The Company's current retail business activities comprise:

- three Company-owned stores located in Perth, Western Australia – Garden City, Whitfords and Factory Direct;
- three Catalano-branded category managed licenced IGA projects; and
- six unbranded category managed supermarkets.

In addition, Catalano's supplies various seafood products to over 50 independent supermarkets. The Directors consider the Company's relationships with these independent supermarkets support the Company's strategy to expand its national footprint in branded stores across Australia.

Catalano's supply of seafood to its retail customers is based on its "Seafood Management Solution" model and includes efficient and quality assured delivery of

fresh and frozen seafood through its dedicated production and supply channels. The Company supplies an extensive range of products (50+ fish species including prawns, oysters, scallops, octopus, abalone) including frozen Australian seafood, fresh wet counter shelf-ready seafood and seafood imported from selected and trusted Western countries.

(c) **Distributor arrangements**

Catalano primarily distributes its products directly to independent supermarkets in Western Australia via Metcash, the IGA supermarket franchisor, which enables Catalano's to penetrate the broader network through centralised distribution. The range of products is extensive and evolving with products such as Prawns, Oysters, Salmon, and a variety of other Australian fish species such as Snapper, Barramundi, and Salmon. Currently, the Company is not a party to any binding agreements in respect to distribution arrangements. As is common in the seafood industry, the distribution arrangements are on an ongoing informal basis.

2.4 **Growth strategy and objectives of the Company**

From Admission, the Company's key objective is to expand its current seafood processing, retail and distribution capabilities in Australia. Specifically, the funds raised by the Public Offer will be applied as set out in Section 1.7 to:

- (a) increase capacity, capabilities and efficiencies of its processing facilities;
- (b) expand its operations in Australia, with an initial focus on the East coast of Australia;
- (c) explore alliances with complementary businesses in the sector;
- (d) rollout its Seafood Management Solution to independent supermarkets;
- (e) pay corporate and administration costs;
- (f) pay the costs of the Offers; and
- (g) provide working capital for the Company.

Catalano's growth strategy is centred around three pillars:

- (a) *Processing/Production* - Catalano's intends to upgrade its Processing Facility to increase processing capacity and offer a greater range of products so as to maximise the Company's potential client base and revenue opportunity;
- (b) *Seafood Management Solution* – Catalano's intends to rollout its Seafood Management Solution to independent supermarkets (described in Section 2.3 above) through increased investment in retail equipment and marketing; and
- (c) *Distribution* - Catalano's aims to expand its network of distributors in Australia.

In the future, the Directors may seek to capitalise on the Company's "ocean-to-plate" network and related capabilities within Western Australia to expand seafood offerings to supermarkets and distributors in other countries. At this stage, however, the Company's focus is on strengthening its footprint within the Australian seafood market.

2.5 Key accreditations and certifications

The Company has several accreditations. These include:

- (a) HACCP (Hazard Analysis Critical Control Point) accreditation for its processing facilities at Bassendean. HACCP is an internationally recognised system for safe food processing which focuses on preventing food safety hazards and places greater responsibility on operations to ensure food safety. HACCP provides Catalano's with a system for managing food safety during processing and reinforces Catalano's commitment to the delivery of safe food to its customers;
- (b) Safe Quality Food accreditation. This is a tier one comprehensive safety management system expanding on HACCP principles and now commonly required by customers; and
- (c) Department of Agriculture, Fisheries and Forestry accreditation which is an import and export inspection certification for access to overseas markets.

In addition, Catalano's Processing Facility undergoes auditing by certain of its key customers including, for example, an annual compliance check against Coles Food Manufacturing Supplier Requirements.

Catalano's is also Supplier Ethical Data Exchange certified, which supports responsible sourcing and supply chain transparency.

Catalano's currently holds all material authorisations in order to operate its business as set out in this Prospectus.

2.6 Key business model dependencies

The key dependencies for the Company to meet its objectives are:

- (a) completion of the planned upgrade to the Processing Facility within capital expenditure budgets;
- (b) maintaining key customer and distribution relationships on favourable terms to the Company;
- (c) maintaining accreditations and certifications; and
- (d) retaining competent operational management including appropriately skilled and experienced employees, contractors and consultants.

2.7 Financing of the Company

To date, the Company has been financed through a combination of operating cash flow, equity capital and equity convertible loans.

As at the Prospectus Date, Catalano's has in place one loan in the amount of \$300,000 with RMM, which will be converted into Shares as soon as practicable following receipt by Catalano's of ASX's conditional approval to the Company's Admission (on conditions satisfactory to the Company) (see Section 8.3).

It has been the practice of the Company, in order to minimise borrowing costs, to access funding through equity or equity converting loans. The Directors are not aware of any reason why the Company will not continue to be accessing funding in this form.

The business of the Company as set out in this Section 2 will initially be funded by a combination of the Company's existing cash flow and funds raised by the Public Offer. However, the Directors anticipate the Company may in the future require additional capital as it seeks to further expand its operations. The amount and nature of any such additional funding will be determined based on market conditions and the needs of the business at the relevant time.

2.8 **Dividend policy**

The Company does not expect to pay dividends in the near future as its focus will primarily be on growing the existing business.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.

3. Industry Overview

This Section 3 provides an overview of the industry in which Catalano's operates and its key competitors.

Catalano's operates in the processing, wholesale and retail markets in Western Australia.

The Directors consider the following key circumstances provide growth opportunities for Catalano's:

- With emphasis on diet and healthy eating, the health benefits of seafood are being promoted (for example, Omega-3 is thought to have a wide range of health benefits in relation to coronary heart disease, high blood pressure, arrhythmia, rheumatoid arthritis and many other diseases).
- Catalano's processing capabilities and existing "ocean-to-plate" network mean the Company is well placed to benefit from the trends to healthier eating and seafood in particular.
- Domestic markets are becoming increasingly discerning in relation to the quality and safety of the seafood they purchase. Consumers are demanding that seafood be free from chemical contaminants and genetic modification. The Directors consider Catalano's existing accreditations and reputation for 'clean' products will support its short to medium term expansion plans within the Australian seafood market.
- Developments in harvesting and processing techniques provide greater opportunities for sustainable sourcing. The Directors consider the Company is of sufficient size to leverage its expertise in these areas to realise economies of scale.

3.1 Australian seafood processing industry

The seafood processing industry is projected by IBISWorld to be worth \$890 million through 2021-22, as demand recovers from the downturn attributable to COVID-19. While export volumes have been constrained due to the pandemic's disruption to global seafood demand, demand from supermarkets has been boosted by periods of government-imposed lockdowns, which have increased consumer retail purchasers of seafood products.¹

IBISWorld research shows that the seafood processing industry is anticipated to expand over the next five years. As the economy recovers from COVID-19, a recovery in consumer income

¹ IBISWorld, Seafood Processing in Australia, Troubled waters: Volatile trade conditions have put pressure on industry operations, Nathan Cloutman, October 2021

over the period and a growing emphasis on healthy eating is expected to boost demand for high value products.¹

Key external drivers within the Australian seafood processing market include:

- **Domestic price of fish and other seafood:** The price of seafood partially determines demand for industry product. Domestic fish and seafood prices are anticipated to fall in 2021-22 which will increase consumer demand and revenue for the industry.¹
- **Seafood consumption:** Seafood consumption, on which the seafood processing industry is dependent, has increased *per capita* in Australia in the past five years and is expected to increase further in 2021-22.¹ In 2020-21 the estimated value of consumption was 26.3 kilograms per capita which for the period 2016-2021 is compound growth of 0.86%. IBISWorld forecasts value in 2025-26 to be 27.5 kilograms per capita which is compound growth for the period 2021-2026 of 0.90%.²
- **Demand for processing from aquaculture:** Aquaculture activity strongly affects industry revenue as processors source a significant share of their production inputs from aquaculture farms. Aquaculture supply is increasing, which in turn can increase seafood processor's production. IBISWorld forecasts that demand for processing from aquaculture is expected to increase in 2021-22.¹
- **Demand for processing from fish and seafood wholesaling:** Wholesalers are an important domestic market for the processing industry as they purchase seafood from industry players to distribute to downstream buyers. Rising demand from wholesalers typically boosts industry revenue and IBISWorld forecasts that in 2021-22, demand from fish and seafood wholesalers is expected to increase.¹
- **Demand for processing from fishing:** The fishing industry provides production inputs to the seafood processing industry and processors production output increases when supply from fishing increases, causing industry revenue to rise. According to IBISWorld, fishing demand for processing is expected to decrease in 2021-22.¹

3.2 Australian seafood wholesale market

According to IBISWorld, the demand for wholesale services from supermarkets has declined over the past five years due to wholesale bypass with major supermarkets increasingly purchasing seafood directly from vertically integrated fish and seafood operators.³

IBISWorld research indicates that the Australian wholesale market is expected to have revenue of \$4.3 billion through 2021-22. Industry revenue is projected to rise over the next five years as economic conditions recover from COVID-19.³

² IBISWorld, Seafood Consumption, Business Environment Report C3242 November 2020

³ IBISWorld, Fish and Seafood Wholesaling in Australia, Slipped through the net: Wholesale bypass and COVID-19 restrictions have eaten away at revenue, William Chapman, March 2021

3.3 Australian seafood retail market

In the last five years, there has been an increase in seafood consumption. This has been driven by:

- an increased health consciousness and desire for Australians to incorporate more fresh fish into their diets, as it is a lean source of protein and other nutrients such as omega-3 oils;⁴ and
- rising disposable incomes which allows consumers to spend more on seafood, which are typically more expensive than substitute products like poultry.⁴

IBISWorld research indicates that the Australian seafood retail industry is expected to have revenue of \$934 million through 2021-22 and is forecast to grow at an annualised 1.5% over the five years through 2026-27 to \$1.0 billion.⁴

According to IBISWorld, households represent the major market for the seafood retail industry. Seafood has historically been purchased from major supermarket chains however consumers are now broadening their shopping habits to other seafood retailers. The range of seafood products on offer in speciality seafood retailers provides a key point of differentiation for industry operators. While supermarkets are increasing their product ranges, industry stores typically have a much wider range of fresh produce, including premium seafood.⁴

3.4 Outlook for key species relevant to Catalano's business

The success of the seafood processing industry depends primarily on domestic demand for seafood products. The seafood processing industry is projected to grow over the next five years due to recovering demand post the COVID-19 downturn as domestic demand for high value products rises due to consumer income recovery after the downturn caused by COVID-19.⁵

The Company is capable of processing almost all seafood products and at a time when smaller firms are exiting the industry and barriers to entry are increasing due to capital costs, is well poised to expand and grow nationally as it is investing in more sophisticated techniques and automation to grow and give it a sustainable competitive advantage. The Company's position will be further enhanced as it rolls out its "Seafood Management Systems" within retail outlets nationally.⁵

The outlook for the species most relevant to Catalano's business is set out below.

(a) Salmonids

Global farmed salmon production is projected to increase by 3% in 2021 due to the rapid growth of emerging producers like Australia due to continuing investment in disease mitigation, favourable environmental conditions and production growth in

⁴ IBISWorld, Seafood Retailing in Australia Rough seas: Intense competition and the COVID-19 pandemic have turned the tide on Retailers, Yin Huey Yeoh, October 2021

⁵ IBISWorld, Aquaculture in Australia Better fish to fry: Strong demand for premium products supports the industry's Performance, Ross Dean, October 2021

Tasmania (which contributes 90% of Australia's salmonid production). Domestic salmonid GVP is projected to reach \$1 billion in 2022-23 which reflects the continued increase in production.⁶

Australian export of Salmonids has been primarily targeted at Australian domestic markets and exports have been low but will increase between now and 2025-26 because of increased production, rising global demand and greater market diversification.⁶

In line with global salmonid markets, salmonid prices are also declining in Australia mainly due to lower demand for food service due to lockdowns and other constraints. Although the value of salmonid consumption has declined overall in food service, consumption has shifted to retail channels and consumers are purchasing lockdown friendly alternatives like frozen salmonids.⁷

With processing as its core business and years of experience in frozen and other consumer targeted seafood products and the planned roll out of its Seafood Management System nationally, the Company is well poised to take advantage of such consumer preferences.

(b) **Prawns**

Although Australia exports some high unit value species, Australia is a relatively minor producer of prawns and imports significant quantities to meet domestic consumption but at a lower unit value than domestic prawns. COVID-19 has already affected international demand for prawns and resulted in global prices falling which has impacted local producers. Over the period 2024-25 the value of the Australian prawn production is projected to rise due largely to an increase in prawn production from farmed prawns from two planned large scaled prawn farms in northern Queensland (expected to add 2000-2500 tonnes of farmed prawns) and the Northern Territory.⁷

It is forecast that through to 2025-26 the value of prawn production will fall due to subdued demand internationally and most Australian production will supply local markets at lower prices, however export conditions are expected to improve in the medium term.⁷

The Company's competitive advantage in the domestic market will be enhanced by its Seafood Management System rollout nationally, which will increase exposure to consumers of its seafood offering and take advantage of the growing prawn aquaculture industry.

(c) **Barramundi**

Barramundi (*Lates calcarifer*) is the iconic Australian fish and farmed in all states except Tasmania. Barramundi aquaculture took hold in Australia in the 1980s, with

⁶ Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) - Australian fisheries and aquaculture Outlook to 2025–26. https://daff.ent.sirsidynix.net.au/client/en_AU/search/asset/1031681/0

⁷ Department of Agriculture, Water and the Environment - Australian fisheries and aquaculture outlook 2021. <https://www.awe.gov.au/abares/research-topics/fisheries/fisheries-economics/fisheries-forecasts>

current annual production volumes approaching 4,000 metric tons (MT) of the estimated global production of about 30,000 MT. Production is increasing steadily at around 10% annually.⁸

Barramundi is a popular eating fish, which has been commercially available for many years (through wild catch and aquaculture) and there are well-established markets within Australia.

Consumer demand for barramundi is high which provides indications that the industry will continue to expand. The Australian Barramundi Farmers Association has a production target of 20,000t by 2025.⁹

3.5 Key competitors

The Directors consider there are competitors in each state that could influence the level of penetration into the Eastern seaboard, Catalano's key competitors are as follows:

- (a) Tassal Group Limited (ASX:TGR), Australia's leading seafood producer and the largest producer of Atlantic salmon. TGR holds the largest market share in seafood processing in Australia and although primarily focussed on salmon, diversified its offering when it purchased NSW processor De Costi Seafood's in 2015.
- (b) KB Foods Pty Ltd is an international owned enterprise and a national supplier of imported frozen product and WA and Victorian supplier of fresh product into the major supermarkets such as Coles and Woolworths to which Catalano is a candidate to enter that market and be a contra competitor. The main threat would be within the independent supermarket segment, however the Directors believe that KB Foods do not provide a proposition similar to Catalano's Seafood Management Solution.
- (c) Clams Seafoods Pty Ltd, a Victorian based seafood supplier contracted by KB Foods to deliver their fresh product to the major supermarkets and also a competitor in the Victorian Market. The Directors believe that they do not provide a proposition similar to Catalano's Seafood Management Solution.
- (d) Superfin Seafoods Pty Ltd, a Queensland processor who also supplies seafood to the major supermarkets and independent supermarkets. The Directors believe that Superfin Seafoods do not provide a proposition similar to Catalano's Seafood Management Solution.
- (e) Raptis & Sons Pty Ltd, A. are leaders in the Australian wild caught seafood industry. Raptis owns and operates fishing fleets from Far Northern tropical waters to the Great Australian Bight. Raptis catch, trade, process, import and export the ocean's great products for seafood wholesalers, retailers, restaurants, and consumers. The Directors believe that Raptis Pty Ltd do not provide a category management solution like Catalano's and are focussed primarily on processing their own seafood production.

⁸ Global Seafood Alliance - Barramundi culture in Australia. <https://www.globalseafood.org/advocate/barramundi-culture-in-australia/>

⁹ Agrifutures - Barramundi (aquaculture). <https://www.agrifutures.com.au/farm-diversity/barramundi-aquaculture/>

4. Risk factors

The Securities offered under this Prospectus are considered speculative. Before applying for Securities, any prospective investor should be satisfied that they have a sufficient understanding of the risks involved in making an investment in the Company and whether it is a suitable investment, having regard to their own investment objectives, financial circumstances and taxation position.

There can be no guarantee that the Company will deliver on its business strategy, or that any forward looking statement contained in this Prospectus will be achieved or realised. Investors should note that past performance is not a reliable indicator of future performance.

The Directors strongly recommend investors examine the contents of this Prospectus and consult their professional advisers before deciding whether to apply for the Securities pursuant to this Prospectus.

There are certain general risks and certain specific risks which relate directly to the Company's business and are largely beyond the control of the Company and the Directors because of the nature of the business of the Company. Those risks, along with other specific and general risks involved in investing in the Company, are summarised in this Section 4.

The risks described below are not to be taken as exhaustive. Where relevant, the risks below assume completion of the Public Offer has occurred. The specific risks considered below and other risks and uncertainties not currently known to the Company, or that are currently considered immaterial, may materially and adversely affect the Company's business operations, the financial performance of the Company and the value and market price of the Securities.

4.1 Risks specific to the Company

(a) Business strategy

The Company's growth and financial performance is dependent on its ability to successfully execute its growth strategy, including through the alliance, partnerships or acquisition of complementary assets and businesses where deemed beneficial to maintain and maximise its market position. The Company has engaged an experienced consulting team for each of its growth sectors to steer initiatives and associated administration functions. However, there can be no assurance that the Company will achieve the level of growth the Company's strategy aims to achieve. If the Company fails to execute its business strategy, its business, financial condition and results of operations would likely be materially adversely affected.

(b) Customer retention and contractual arrangements

Catalano's practice is for purchasers to negotiate via an open market. Consequently, there is no guarantee that future transactions can be negotiated on terms and prices similar to Catalano's current terms and prices.

The loss of any significant customer or a number of customers may adversely impact on the Company's operating and financial performance.

As is common in the seafood industry, Catalano's does not have comprehensive binding agreements in place for its business relationships (including its distribution

arrangement with Metcash) meaning customers may terminate arrangements with immediate effect.

The Company therefore cannot provide any guarantee as to sales volumes, trading terms or continuity of its existing relationships.

(c) **Supplier**

Catalano's sources ingredients for its products from a number of suppliers. The loss of a supplier or a significant interruption or negative change in the availability of ingredients from suppliers could adversely impact the Company's operating and financial performance. While the Company currently has no binding comprehensive supply agreements, given the number of available suppliers for Catalano's raw products, the Company considers this to be a low risk. Further, the breadth of seafood varieties and global sourcing capability spreads the risk beyond any one isolated long term supply interruption.

(d) **Reliance on key personnel**

Catalano's future success is reliant upon its key management personnel. The loss of the services of certain personnel could have an adverse effect on Catalano's, as the Company may not be able to recruit replacements for the key personnel within a short timeframe.

A succession policy will be implemented to ensure all market segments and management systems effectively deal with transition of key personnel.

(e) **Seafood prices, customer demand for seafood and competition**

The financial performance of Catalano's is influenced by variations in the domestic and international prices paid for seafood processed by Catalano's. Although Catalano's is a quality seafood processor with a well-established distribution network, a number of factors outside the control of the Company can influence demand and supply in the seafood market and, therefore, the price of seafood including:

- (i) an increase in supply of seafood from either domestic or offshore competitors, or increased competition from alternative fish species and food sources;
- (ii) the level of world seafood production relative to consumption requirements;
- (iii) the rate of world economic development, and in particular, economic growth in Asia (principally Japan), America and northern European countries; and
- (iv) material exchange rate movements in major seafood export and import countries.

As Catalano's buys and sells seafood, a significant change in seafood prices could have a material adverse impact on the Company's financial condition and results of operations.

(f) **Seasonal and environmental**

As a seafood processor, the Company is exposed to volatility in supply caused by seasonal weather and environmental conditions which impact the availability and cost

of raw seafood from its suppliers. There is a risk that factors such as changes in temperatures, storms, floods, together with natural variations and external shocks in marine ecosystems and other environmental conditions could disrupt supply of seafood.

(g) **Distribution and export**

A part of the Company's growth strategy is to focus on expanding its network of distributors within Australia. Also, while not considered to be material in the context of the Company's business activities taken as a whole, Catalano's currently exports to various markets, particularly to Asian countries. Any adverse changes to trade tariffs, quotas or duties, the substitution of local producers in foreign markets, the introduction of other trade barriers, increased competitor activity and export regulation could all adversely affect Company's ability to export.

The growth objectives of the Company depend in part on its ability to increase its distribution channels. The loss or disruption of a distribution channel or loss of an export market could adversely affect the Company's financial performance and future prospects. Additionally, the Company may take a credit risk with regard to parties to whom it supplies products. In the event of such parties failing to meet their obligations to the Company on time or at all, the Company's financial performance may be adversely affected.

(h) **Food safety, handling and product quality**

Selling food for human consumption carries inherent risks relating to food safety. Food safety incidents (such as tampering or contamination) could result in product liability lawsuits, product recalls, reputational damage and potential civil or criminal liability. Product recalls could result in significant losses because of the destruction of inventory and lost sales due to product unavailability, and any safety incidents could adversely affect the Company's ability to retain existing customers or attract new customers. Food tampering, including the introduction of foreign objects, chemical or biological contaminants into the Company's products could also result in serious harm to consumers.

Third party spoilage or degradation in quality due to retailers' failure to observe shelf-life regulations or expiration dates is an inherent risk. The Company mitigates the risk of potential claims through its quality control systems, adherence to regulatory protocols and maintenance of accreditations.

(i) **Product liability claims and insurance**

Retailing food for human consumption carries an inherent risk of product liability. Any product liability claims may significantly disrupt the Company's business operations, cause reputational harm and adversely affect the Company's financial performance.

The Directors consider the Company's product liability insurance is appropriate for the Company's current business operations. However, the Company may not be able to obtain further product liability insurance on commercially viable terms. Also, insurance cover may be inadequate to cover judgments or claims against the Company in relation to any product liability related incidents. Any claims brought against the Company may be outside the scope of the insurance policy or coverage, which may

require the Company to satisfy such claims, if successful, from the Company's capital reserves.

(i) **Counterparty and credit risk**

The business operations of the Company require the involvement of a number of third parties, including suppliers, logistics providers and customers. Not being able to reach a binding agreement with any third party, financial failure, default or contractual non-performance on the part of such third parties (including failure to pay amounts due to the Company pursuant to its agreements) may have a material impact on the operations and financial performance of the Company.

(j) **Workplace health and safety**

The Company must comply with various health and safety laws in Australia. There is a risk that penalties and other liabilities for the breach of health and safety laws and standards may be imposed on the Company and may have an adverse effect on the Company's reputation, operations, revenue and growth potential.

(k) **Legal and regulatory requirements including approvals**

The Company's business must adhere to numerous legal and regulatory requirements including, without limitation, in relation to product liability, food safety, environmental and export laws. This gives rise to significant compliance costs for the Company. There is a risk that non-compliance with such regulations, changes in the current regulations (or their interpretation) or the introduction of new laws or regulations could expose Catalano's or its suppliers to fines, penalties, potential civil or criminal actions, product recalls and reputational damage, the revocation of approvals, permits or authorisations, loss of access to markets or key customers and increased compliance costs. Further, if existing laws and regulations are revised to become more restrictive or new, the Company may not be able to meet these new or revised requirements, which may jeopardise its business operations and financial performance.

Various approvals, permits or other government authorisations are required for the Company's operations. Obtaining approvals, permits or authorisations can be a time consuming and costly process and there is a risk that the Company may not obtain such approvals, permits or authorisations on acceptable terms and in a timely manner, or at all. Failure or delay in obtaining any required approvals, permits or authorisations may have a material adverse effect on the Company's business strategy and in turn its operating and financial performance.

(l) **Consumer demand**

The Company's growth objectives depend on continued growth in the demand for its products in domestic and international markets. Consumer demand for food products can change over time and may be influenced by a number of factors. Changes in consumer dietary preferences or an excess of supply of seafood products may adversely impact demand or prices for these products. In addition, seafood may be considered to be a luxury food product.

An economic downturn in the markets in which the Company sells its products may cause the retail environment to deteriorate as consumers reduce their retail spending on discretionary items, which may adversely impact on the Company's operations and growth prospects. If economic conditions deteriorate, or the Company is unable to

penetrate these markets due to a change in demand for these products or if demand were to otherwise fall or the Company is unable to adapt to changing consumer trends and behaviours more generally, the Company may be unable to achieve its growth objectives. In addition, the Company's financial performance will be influenced by the price it can obtain for its products in both domestic and export markets. A drop in the demand for the Company's products may require the Company to reduce its product prices which could have an adverse impact on its businesses.

(m) **Reputation**

There is a risk that some incident or development beyond the control of the Company could occur which would have the effect of reducing consumer confidence or preferences for Catalano's products. Such incidents could include:

- (i) a widespread loss of consumer confidence in seafood;
- (ii) health concerns associated with the consumption of seafood products;
- (iii) a widespread loss of consumer confidence in the food safety procedures in the seafood industry as a whole; and
- (iv) concerns about fishing practices and the sustainability of wild caught fisheries.

The consequences of such an incident or development could be very significant for the Company, with impacts potentially including reduced revenues, loss of consumer trust in the Catalano's products, and reduced prominence of the Company's brands or reputation in customers' minds, all of which may adversely impact the Company's operating or financial performance.

(n) **Conditionality of Offers**

The obligation of the Company to issue the Securities under the Offers is conditional on ASX granting approval for the Company's Admission and Quotation of its Shares. If this condition is not satisfied, the Company will not proceed with the Offers. Failure to complete the Offers may have a material adverse effect on the Company's financial position.

(o) **Future capital requirements**

The Company is currently making a loss and is unlikely to generate profit unless and until its three pillars set out in Section 2.4 are successfully developed and implemented. Even in circumstances where the Maximum Subscription is raised, the Company may in the future require additional capital as it seeks to further expand its operations. Also, it is possible further capital may be required at an earlier stage if any risks, including those described in this Section 4, materialise, or equally new business opportunities materialise. The amount and nature of any such additional funding will be determined based on market conditions and the needs of the business at the relevant time.

Any additional equity financing (noting, in particular, the current intention for the Company to undertake an issue of loyalty Options within the first six months of Admission as described in Section 1.9) may be dilutive to shareholders and/or occur at prices lower than the market price. Debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain

additional financing as needed it may be required to reduce the scope of its expansion activities.

4.2 **General risks**

(a) **Securities investments**

There are risks associated with any securities investment. The prices at which the securities of the Company trade may fluctuate in response to a number of factors. Furthermore, the stock market has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of such companies. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the securities of the Company regardless of its operational performance.

(b) **Share market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and seafood industry in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Competition**

Catalano's is in the highly competitive fast-moving consumer goods global business market and competes with many participants who are larger and have significantly greater resources, including financial, technical, marketing and human resources, than the Company. Catalano's competes in this market based on distribution channels, brand recognition, product quality and price, product placement and promotional activities. These competitors have already established a market share and brand and may be able to respond more quickly to changing business, regulatory and economic conditions than the Company. The Company may not be able to effectively compete with other participants in this market.

(d) **Litigation**

The Company is exposed to possible litigation risks. The Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim

or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(e) **Insurance**

The Company intends to continue to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

In order to mitigate a number of risks in relation to the Company's business, the Company will continue to take out appropriate insurance policies. The effectiveness of this mitigation will depend on whether such insurance remains available on commercially reasonable terms.

(f) **Taxation**

The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation point of view and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Shares under this Prospectus.

(g) **Climate change**

Climate change is a risk the Company has considered, particularly related to its operations in the seafood industry. Climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.

(h) **Infectious diseases**

The outbreak of COVID-19 is having a material effect on global economic markets and the business community (including in the seafood sector). Catalano's exposure to government or industry measures taken in response to COVID-19 (including, for example, lockdowns and border restrictions) may be heightened as it expands business operations to the East Coast of Australia in light of recent COVID-19 outbreaks and such events may have a material adverse impact on the Company's operations, financial performance and growth prospects. Catalano's has documented an internal policy for business continuation to help mitigate the impact of COVID-19.

4.3 **Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus. Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

5. Financial Information

5.1 Introduction

The financial information set out in this Section 5 includes the following:

- Summary historical statement of profit and loss and other comprehensive income for the Catalano Unit Trust (**CUT or the Trust**) for the financial year ended 30 June 2019 (FY19) and the Company for the financial years ended 30 June 2020 (FY20) and 30 June 2021 (FY21);
- Summary historical statement of financial position for CUT as at FY19 and the Company as at FY20 and FY21;
- Summary historical statements of cash flows for CUT for the year ended FY19 and the Company for the years ended FY20 and FY21; and
- The Pro Forma statement of financial position of the Company as at 30 June 2021 and supporting notes which includes the Pro Forma transactions, subsequent events, consolidation adjustments and capital raising together referred to as the 'Historical Financial Information'.

All amounts disclosed in the tables in this Financial Section are presented in Australian dollars and, unless otherwise noted, are rounded to the nearest thousand dollars. Some numerical figures included in this Prospectus have been subject to rounding adjustments. Any discrepancies between totals and sum of components in figures contained in this Prospectus are due to rounding.

The Historical and Pro Forma Financial Information should be read together with the other information contained in this Prospectus, including:

- management's discussion & analysis set out in this Section 5;
- the risk factors described in Section 4;
- the Investigating Accountant Report on the Historical and Pro Forma Financial Information set out in this section of the Prospectus; and
- the other information contained in this Prospectus.
- investors should also note that historical results are not a guarantee of future performance.

5.2 Basis of preparation of the Historical and Pro Forma Financial Information

Background

The Historical and Pro Forma Financial Information included in this Section has been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards (**IFRS**), issued by the International Accounting Standards Board (**IASB**). The Directors are not aware of any reconciliatory differences between the application of IFRS and the Australian equivalents to International Financial Reporting Standards (**AIFRS**) which require disclosure within this Section 5.

The Historical and Pro Forma Financial Information is presented in an abbreviated form insofar as it does not include all the presentation, disclosures, statements or comparative information as required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act. Significant accounting policies applied to the Historical and Pro Forma Financial Information are noted at the end of this section under the heading 'Significant Accounting Policies'. The accounting policies of the Company have been consistently applied throughout the periods presented.

The general purpose financial statements of the Company will be prepared in accordance with the Corporations Act, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with IFRS as issued by the International Accounting Standards Board.

Basis of preparation of the Historical and Pro Forma Financial Information

The Historical Financial Information has been extracted from the audited financial statements of the CUT for FY19 and Catalano Seafood Limited audited financial statements as at FY20 and FY21 (the Company).

The CUT's and Company's historical financial performance has been audited by Grant Thornton Audit Pty Ltd for the financial years ended 30 June 2021, 30 June 2020 and 30 June 2019. A qualified audit opinion was issued due to an inability of the auditor to attend the 30 June 2018 stockcount in addition to an emphasis of matter in relation to the material uncertainty of the going concern was issued to the Unitholders of the Trust for FY19. An unqualified audit opinion with an emphasis of matter in relation to the material uncertainty of the going concern was issued to the members of the Company in FY20 and FY21.

Catalano Seafood Limited is a company focused on the processing and sale of fish products, retail sale of fish products via shopping centre stores and a factory retail outlet and contract processing of fish products for various customers. The Company was incorporated on 9 May 2019 to acquire the business activities of the Catalano Unit Trust that was completed on 1 July 2019. The Company will undertake an initial public offer and apply for admission to the official list of the ASX.

The Directors are responsible for the inclusion of all financial information in this Prospectus. Investors should note that historical financial performance is not a guide for future financial performance.

The Historical and Pro Forma Financial Information has been reviewed by Grant Thornton Corporate Finance Pty Ltd, whose Investigating Accountant Report is contained in Annexure A of this Prospectus. Investors should note the scope and limitations of that report. The information in this Section should also be read in conjunction with the risk factors set out in Section 4 and other information contained in this Prospectus.

All amounts disclosed in this Section 5 are presented in Australian Dollars unless otherwise noted.

The financial information in this Section includes certain measures for assessing the financial performance and position of the business, which are not recognised under Australian Accounting Standards. Such measures are referred to as 'non-IFRS financial measures'.

Non-IFRS financial measures are not a substitute for measures calculated in accordance with Australian Accounting Standards, but rather are intended to provide further information for potential investors.

As the non-IFRS measures have no defined meaning under recognised accounting standards, the way in which they have been calculated in this Prospectus has been detailed below. As there is no standardised measure of non-IFRS information, potential investors should take care in comparing non-IFRS information between companies as the method of calculation may not be the same.

5.3 Historical statement of profit or loss and other comprehensive income

The table below presents the summarised historical statement of profit or loss and other comprehensive income for FY19, FY20 and FY21.

	Catalano Unit Trust Audited FY 2019 \$'000	Catalano Seafood Ltd Audited FY 2020 \$'000	Catalano Seafood Ltd Audited FY 2021 \$'000
Continued operations			
Revenue	12,316	12,179	17,162
Cost of sales	(6,668)	(8,798)	(13,991)
Gross Profit	5,648	3,381	3,171
Other income	61	105	66
Selling and distribution expenses	(5,844)	(2,804)	(2,836)
Administrative expenses	(382)	(479)	(740)
Impairment expense	-	(500)	-
Other expenses	(313)	(74)	(114)
Operating loss	(829)	(371)	(453)
Finance costs	(35)	(91)	(47)
Loss before tax from continuing operations	(864)	(461)	(500)
Income tax expense	-	-	-
Loss after income tax expense for continued operations	(864)	(461)	(500)
Discontinued operations			

Loss from discontinued operations	-	(635)	-
	(864)		
Loss after discontinued operations		(1,096)	(500)
Other comprehensive income			
Other comprehensive income for the year, net of tax	-	-	-
	(864)		
Total comprehensive loss for the year		(1,096)	(500)

Below is a discussion of the main factors which affected the operations and relative financial performance in FY21, FY20 and FY19 of the Company and Trust. The discussion of these general factors is intended to provide a summary only and does not detail all factors that affected the company's historical operating and financial performance, nor everything which may affect operations and financial performance in the future.

Revenue: Catalano has historically generated revenue through retail sales and contract seafood processing. Retail sales are a combination of Company owned stores, store within a store retail and factory sales. The Company have re-focussed their retail business during the historical period, reducing the number of Company owned stores resulting in discontinued operations as detailed below. Contract processing revenue relates to revenue generated from seafood processing and packaging activities completed on contract basis with third parties. Increased activity in contract processing revenue is the primary cause for the movement in revenue during the FY21 period.

Selling and distribution expenses: The Company's selling and distribution expenses includes all employee related expenses such as wages and salaries, superannuation and payroll tax, depreciation, factory related expenses such as rent, cleaning and electricity and other utility related costs. Costs relating to selling and distribution expenses have remained consistent between FY19 to FY21.

Administration expenses: Administration expenses includes direct costs, occupancy costs, professional fees, computer expenses and other admin costs.

Impairment expenses: Impairment expenses recorded in FY20 relates to an impairment against the goodwill recognised against the Company's retail cash generating unit (**CGU**). On 1 July 2019, Catalano Seafood Pty Ltd acquired the net assets of the Catalano Unit Trust including the trading name, contracts and intellectual property (**IP**). The retail CGU was fully impaired during the FY20 period.

Other expenses: Other expenses includes insurance and other membership and subscription costs.

Loss from discontinued operations: In FY20 the Company elected to close two retail stores. The results of these stores were recognised as discontinued operations.

5.4 Historical statement of cash flows

The table below presents the summarised historical statement of cash flows for CUT for the year ended FY19 and for the Company for the years ended FY20 and FY21.

	Catalano Unit Trust Audited FY 2019 \$'000	Catalano Seafood Ltd Audited FY 2020 \$'000	Catalano Seafood Ltd Audited FY 2021 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)	12,949	10,441	16,667
Payments to suppliers and employees (inclusive of GST)	(13,337)	(11,120)	(16,528)
Other income	61	105	66
Finance costs	(35)	-	-
Net cash used in discontinued operations	-	(635)	-
	(362)	(1,209)	204
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired	-	(3,116)	-
Payments for property, plant and equipment	(41)	(115)	(205)
Proceeds from sale of property, plant and equipment	-	212	7
	(41)	(3,020)	(197)
Cash flows from financing activities			
Proceeds from issue of share capital	-	4,750	-
Repayment of lease liabilities	-	(106)	(486)
Proceeds from borrowings	550	-	300
Repayment of borrowings	(184)	-	-
	366	4,644	(186)
Net increase/(decrease) in cash and cash equivalents	(37)	415	(179)
Cash and cash equivalents at the beginning of the financial year	144	-	415

Effects of exchange rate changes on cash and cash equivalents	-	-	-
Cash and cash equivalents at the end of the financial year	108	415	236

Operating cash flows

There has been a net operating cash outflow for FY19 and FY20 resulting primarily from the losses incurred as detailed at Section 5.3. The reduction in losses recorded in FY21 has assisted with the Company recognising a positive operating cashflow result.

Investing cash flows

Key investing cash flows have been proceeds from the issue of non-redeemable preference shares in FY19 and FY20.

- In FY20 the acquisition of the Catalano Unit Trust for total net cash consideration of \$3,116,325.

Financing cash flows

The net cash flows for operations and investments have necessitated the raising of finance as follows:

- In FY20 the owners of Catalano Seafood Ltd contributed \$4,750,001 as share capital that was used to purchase the Catalano Unit Trust.

5.5 Historical statement of financial position

The table below presents the summarised historical statement of financial position as at 30 June 2019, 30 June 2021 and 30 June 2020.

	Catalano Unit Trust Audited FY 2019 \$'000	Catalano Seafood Ltd Audited FY 2020 \$'000	Catalano Seafood Ltd Audited FY 2021 \$'000
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Assets

Current assets

Cash and cash equivalents	108	415	236
Trade and other receivables	348	460	582
Inventories	628	717	1,116
Other current assets	118	45	19

Total current assets	<u>1,201</u>	<u>1,637</u>	<u>1,954</u>
Non-current assets			
Financial assets	3	-	-
Plant and equipment	1,187	840	924
Right of use assets	-	1,742	1,060
Intangible assets	<u>-</u>	<u>2,647</u>	<u>2,647</u>
Total non-current assets	<u>1,189</u>	<u>5,230</u>	<u>4,631</u>
Total assets	<u>2,391</u>	<u>6,868</u>	<u>6,585</u>
Liabilities			
Current liabilities			
Trade and other payables	2,239	1,059	1,461
Leases liabilities	-	598	610
Provisions	406	481	574
Financial liabilities	<u>1,153</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>3,797</u>	<u>2,137</u>	<u>2,645</u>
Non-current liabilities			
Lease liabilities	-	1,076	467
Provisions	123	-	20
Financial liabilities	<u>242</u>	<u>-</u>	<u>300</u>
Total non-current liabilities	<u>365</u>	<u>1,076</u>	<u>786</u>
Total liabilities	<u>4,162</u>	<u>3,213</u>	<u>3,431</u>

Net assets	(1,771)	3,654	3,154
Equity			
Issued capital	0	4,750	4,750
Accumulated losses	(1,772)	(1,096)	(1,596)
Total equity	(1,771)	3,654	3,154

5.6 Pro-Forma Historical Statement of Financial Position

The table below sets out the audited historical statement of financial position of the Company, the pro forma adjustments that have been made to it (further described in Section 5.7) and the pro forma consolidated statement of financial position as at 30 June 2021.

The pro forma statement of financial position is provided for illustrative purposes only and is not represented as being necessarily indicative of the Company's view of its future financial position.

	Audited \$'000	Pro Forma Adjustments Min	Pro Forma Adjustments Max	Pro Forma \$'000 Min	Pro Forma \$'000 Max
\$'000					
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	236	5,202	6,141	5,438	6,377
Trade and other receivables	582	267	267	849	849
Inventories	1,116	173	173	1,289	1,289
Other assets	19	-	-	19	19
TOTAL CURRENT ASSETS	1,954	5,641	6,580	7,595	8,534
NON-CURRENT ASSETS					
Property, plant and equipment	924	-	-	924	924
Right of use assets	1,060	-	-	1,060	1,060
Intangible assets	2,647	-	-	2,647	2,647
TOTAL NON-CURRENT ASSETS	4,631	-	-	4,631	4,631
TOTAL ASSETS	6,585	5,641	6,580	12,226	13,165
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	1,461	788	788	2,249	2,249
Lease liabilities	610	-	-	610	610
Provisions	574	-	-	574	574
TOTAL CURRENT LIABILITIES	2,645	788	788	3,433	3,433
NON-CURRENT LIABILITIES					

Lease liabilities	467	-	-	467	467
Provisions	20	-	-	20	20
Financial liabilities	300	(300)	(300)	-	-
TOTAL NON-CURRENT LIABILITIES	786	(300)	(300)	486	486
TOTAL LIABILITIES	3,431	488	488	3,920	3,920
NET ASSETS/(LIABILITIES)	3,154	5,153	6,092	8,307	9,246
EQUITY					
Share Capital	4,750	6,319	7,303	11,069	12,053
Retained losses	(1,596)	(1,375)	(1,420)	(2,971)	(3,016)
Reserves	-	209	209	209	209
TOTAL EQUITY/(DEFICIT)	3,154	5,153	6,092	8,307	9,246

5.7 Pro Forma Transactions

The following transactions contemplated in this Prospectus which are to take place on or before the completion of the Offer, referred to as the subsequent events and pro forma adjustments, are presented as if they, together with the Offer, had occurred subsequent to 30 June 2021 and are set out below.

With the exception of the subsequent events and pro forma transactions noted below no other material transactions have occurred between 30 June 2021 and the date of this Prospectus which the Directors consider require disclosure.

Pro forma transactions:

- (a) **The offer** - Offer of a minimum of 25,000,000 Shares and a maximum of 30,000,000 Shares to be issued at a price of \$0.20 per Share to raise a minimum of \$5,000,000 and a maximum of \$6,000,000.
- (b) **Shares issued to advisors** - the offer of 500,000 Shares with a total value of \$100,000 to be issued to the Lead Manager (or their nominees) as part consideration for provision of capital raising and joint bookrunner services provided to the Company.
- (c) **Options issued to advisors** - the offer of 2,500,000 Options with a total value of \$209,000 to be issued to the Lead Managers (or their nominees) as part consideration for provision of capital raising and joint bookrunner services provided to the Company.
- (d) **Conversion shares** - The Company has agreed to issue a total 1,500,000 Shares to RMM, pursuant to a \$300,000 convertible loan with the Company at a deemed issue price of \$0.20 per Share (**Conversion Shares**). The Conversion Shares will be issued on completion of the Offers and will have the same ranks and rank equally in all respects with the existing Shares on issue.
- (e) **Offer costs** – total expenses associated with the offers are estimated to be between \$622,000 (minimum subscription) and \$683,000 (maximum subscription). Those costs which directly related to the issue of new shares have been offset against contributed equity while the remainder have been expensed to the profit and loss account.

Subsequent Events:

- (a) **Working capital** – since 30 June 2021 there has been a material movement in the working capital of Catalano's as a result of significant orders with key suppliers, importation of Salmon in container loads for Metcash and additional costs relating to consulting, audit, business development consulting etc. which have been incurred as a result of the proposed IPO.
- (b) **Pre-IPO raise** - the Company has raised \$750,000 issuing 7,500,000 shares at \$0.10 per share.

5.8 Reviewed pro forma cash and cash equivalents

The reviewed pro forma cash and cash equivalents has been set out below:

		Pro Forma \$'000 Min	Pro Forma \$'000 Max
Audited and Reviewed cash and cash equivalents at 30 June 2021		236	236
<i>Pro forma transactions:</i>			
Proceeds from shares issued under the Public Offer	a	5,000	6,000
Costs of the Offer	f	(622)	(683)
<i>Subsequent event transactions:</i>			
Working capital	g	74	74
Pre-IPO capital raise	h	750	750
Pro forma cash and cash equivalents		5,438	6,377

5.9 Contributed equity

The reviewed pro forma contributed equity has been set out below:

		Pro Forma \$'000 Min	Pro Forma \$'000 Max
Audited and reviewed contributed equity at 30 June 2021		4,750	4,750
<i>Pro forma transactions:</i>			
Subscription received under the Public Offer (before costs)	a	5,000	6,000

Issue of shares to advisors	b	100	100
Conversion shares	d	300	300
Issue of shares to Management	e	500	500
Costs of the offer	f	(331)	(347)
<i>Subsequent event transactions:</i>			
Pre-IPO capital raise	h	750	750
Pro forma share capital		11,069	12,053

5.10 Number of shares

	Pro Forma no. of shares Min	Pro Forma no. of shares Max
Audited and reviewed shares at 30 June 2021	50,495,000	50,495,000
Shares to be Issued Under the Public Offer	25,000,000	30,000,000
Shares to be Issued Under the Conversion Offer	1,500,000	1,500,000
Shares to be Issued to Management	2,500,000	2,500,000
Shares to be Issued to the Lead Manager	500,000	500,000
Shares on Issue Post-Listing (Undiluted)	79,995,000	84,995,000
Options on issue following the offer	2,500,000	2,500,000
Shares on Issue Post-Listing (Fully diluted)	82,495,000	87,495,000

5.11 Accumulated losses

The reviewed pro forma retained earnings have been set out below:

	Pro forma adjustment	Pro Forma \$'000 Min	Pro Forma \$'000 Max
Audited and reviewed accumulated losses at 30 June 2021		(1,596)	(1,596)
<i>Pro forma transactions:</i>			
Shares issued to advisors	b	(100)	(100)
Options issued to advisors	c	(209)	(209)

Shares issued to Management	e	(500)	(500)
Costs of the offer	f	(291)	(336)
<i>Subsequent events:</i>			
Working capital	g	(275)	(275)
Pro forma accumulated losses		(2,971)	(3,016)

5.12 Reserves

	Pro forma adjustment	Pro Forma \$'000 Min	Pro Forma \$'000 Max
Reserves at 30 June 2021		-	-
Pro forma transactions:			
Options issued to advisors	c	209	209
Pro forma reserves		209	209

5.13 Significant Accounting Policies

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the IASB.

Historical cost convention

Except for cash flow information, the financial report has been prepared on an accruals basis and is based on historical costs, modified where applicable, by the measurement at fair value of selected financial assets and financial liabilities. Cost is based on the fair values of the consideration given in exchange for assets.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Going concern

This financial report is prepared on the going concern basis and assumes the continuation of normal business activities for at least the next 12 months following the signing of these financial statements.

The Company's result for the period included a loss totalling \$500,339 and the Company also recorded a deficiency in working capital totalling \$690,938.

The ability of the Company to continue as going concerns and to pay their debts as and when they fall due is dependent on the following:

- (a) the ability to raise additional funding, including \$750,000 under a pre-IPO funding;
- (b) achieving revenue targets in line with management's forecasts;
- (c) managing all costs in line with management's forecasts;
- (d) continued support of the Company's major shareholders and funders; and
- (e) The completion of an anticipated IPO.

Based upon the above, the Board has reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable and the Directors consider the going concern basis of preparation to be appropriate for this financial report. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by AASB that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The consolidated entity has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2021. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Revenue recognition

The entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Other income

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset transaction that is not a business combination and that, at the time of the transaction, affects neither the taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures where the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future

taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	3-10 years
Plant and equipment	3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

Earnings per share**Basic earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to the owners of Catalano Seafood Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

6. Board, Management and Corporate Governance

6.1 Board of Directors

As at the Prospectus Date, the Board comprises:

- (a) Nick Catalano - CEO and Executive Chairman;
- (b) Koon Poh Low - Non-Executive Director; and
- (c) Shamin Sahafi - Non-Executive Director.

Upon ASX granting conditional approval for the Company's Admission (on conditions satisfactory to the Company):

- (a) Shamin Sahafi will resign as Director; and
- (b) the appointments of Silvestro Morabito and May May Tan (Danielle) as Non-Executive Directors will become effective.

6.2 Directors' profiles

The names and details of the Existing Directors and Proposed Directors are:

(a) **Nick Catalano - CEO and Executive Chairman**

Nick Catalano has been involved in the Catalano family seafood business since 1969 and has carried out all of the major roles from production, factory and sales management.

Nick has been a proactive pioneer in the changing markets of the Australian seafood industry. He has steered the Company from a small family business and constructed the platforms to further build the company to one of the largest and most successful processors/retailers of fresh and frozen seafood in Australia, winning numerous state and national quality/business awards and recently inducted into the Family Business Australia Hall of Fame.

With 49 years' experience, Nick is one of the most knowledgeable and respected seafood merchants in Australia.

(b) **Koon Poh Low – Non-Executive Director**

Koon Low has been involved in capital markets advisory positions across multiple jurisdictions including Australia, Singapore, Malaysia, Hong Kong, the US NASDAQ and NYSE markets. He has been specialising in restructuring, mergers and acquisitions, and corporate transactions for over 30 years.

Koon is a Chartered Accountant registered with the Malaysian Institute of Accountants, fellow member of Chartered Certified Accountants (UK), and a member of the ASEAN Chartered Professional Accountants. He is currently a director of Advanced Health Imaging (ASX:AH1) and Medi Lifestyle Limited (SGX:5TN) with vast capital markets experience in ASX and SGX.

(c) **Shamin Sahafi - Non-Executive Director (Independent)**

Mr Sahafi was appointed to the Board of Directors of the Company on 8th November 2019. Mr Shamin earned his Bachelor of Commerce from The University of Wollongong, Sydney Australia and holds professional accreditations as Chartered Islamic Finance Professional Programme (CIFP) Malaysia and professional accreditation as holder of Professional Certificate in Marketing (CIM) Malaysia. He is also a Member of the International Centre for Education in Islamic Finance (INCEIF).

Mr Shamin started his career at Atradius Credit Insurance & Risk Management in Sydney Australia. He has extensive experience in the Malaysian finance and investment industry. He brings more than 15 years of banking and finance knowledge with public and privately held companies to this position. Mr Shamin has built an impressive career which provides him an invaluable understanding in local mutual funds, equity investments, private placements, real estate investment trust services and complex hedge funds.

Mr Sahafi's current experience includes roles of Head of Corporate, Vice president and Senior Vice President at Infinity Trustee Berhad & Group of Companies from 2014 to present. Past experience at Jardin Smith International Berhad, MIDF Amanah Investment Bank Berhad, Affin Islamic Bank Berhad, Business Banking Division, Head Office, Bank Pembangunan Malaysia Berhad (BPMB) and Atradius Credit Insurance & Risk Management, Sydney (CBD) Australia.

Prior to joining the Board of Directors of the Company, Mr Shamin developed a portfolio management business for high net worth clients, where he also had business development responsibilities to turn around and grow the business. In this role, Mr Shamin successfully built a profitable business and significantly grew the assets under the managements.

(d) **Silvestro Morabito – Non-Executive Director (Independent)**

A strategic and commercial retail sector leader with a track record of success in multiple states of Australia, Singapore, New Zealand and Indonesia. Strategic thinker with strong planning disciplines. Ability to take an "ownership" approach to planning and expansion of a business. Proven ability to successfully lead a business through organisational change to consistently deliver strong results.

Previous experience for Mr Morabito includes CEO and Director roles at Dairy Farm International between 2001 – 2005 (ASX:DFI); CEO, General Manager and COO roles at Metcash between 2008 – 2013 (ASX:MTS) and currently Mr Morabito is the founder and Managing Director of Morabito Management Consulting.

Mr Morabito's is currently a director of Robobai Pty Ltd as well as several Not-for-profit entities. Mr Morabito's previous board experience includes BMS Group, Progressive Trading Pty Ltd, Dramet Holdings Pty Ltd, Adcome Pty Ltd and Metfood Pty Ltd.

(e) **May May Tan (Danielle) – Non-Executive Director (Independent)**

May May Tan (Danielle) is an operations, human resources and business leader with extensive experience in end-to-end solutions in industries relating but not limited to oil and gas, transport, banking and finance sectors. She has diverse professional exposure in international settings across Singapore, China, Japan, Brazil, Philippines, Japan, Vietnam, Korea and Australia.

Danielle's most notable successes have been in process flow and structure implementation. She also has strong expertise in global mobility and human resources. Danielle has proven abilities in leading and working with high-performing, multi-cultural and cross-functional teams in the delivery and deployment of multiple projects. She is currently a director of Impact BPO Services Pte Ltd and was previously Country Manager of Brunel Consultancy (Shanghai) Limited, Regional operations manager of Brunei International S.E.A Pte Ltd, Senior Manager at SMRT Corporation Ltd and Assistant Vice President of the Singapore Exchange Ltd (SGX).

6.3 Key management personnel

(a) **Paolino (Paul) Catalano – Business Development Manager**

Paul has a wealth of experience within all facets of the seafood industry. He has practical expertise in post-harvest processing, quality assurance, international markets, supermarket drivers and direct retail.

Paul is an Executive Director of the Western Australian Fishing Industry Council with insights into the challenges, opportunities and has confidence in the positive sustainability practices of the Australian fishing industry.

(b) **David Catalano – Operations Manager**

David Catalano is the eldest son of Nick Catalano. David has been in and around the family business all his life. He joined the Company at the age of 17 part-time whilst studying Nautical Fishing/Marine Biology at TAFE. David has graduated through all the factory and operational areas of the business. David is presently the Operations Manager overseeing the sales department and is responsible for all fresh and frozen seafood purchasing.

David has the seafood knowledge and experience to be instrumental in the development of the distribution pillar of the Company's business strategy (see Section 2.4 for further details).

(c) **Andrew Catalano – Factory Manager**

Andrew Catalano is the second son of Nick Catalano. Andrew has been in and around the family business all his life. He joined the Company at the age of 17 part-time whilst studying Aquaculture at TAFE. Andrew has graduated through fish filleting, processing, despatch, factory retailing and production supervision and is currently the Factory Manager. Andrew's years of knowledge and experience makes him well qualified to contribute to the Processing/Production pillar of the Company's business strategy (see Section 2.4 for further details).

(d) **Mark Lupica – Retail Manager**

Mark Lupica is the nephew of Nick Catalano and Paul Catalano. Mark has been in and around the family business all his life. He joined the Company at the age of 17 part-time whilst continuing his studies in marketing and business management.

Mark has been involved in all facets of retailing including product development and marketing. He is currently the Company's Retail Manager and is responsible for the three Company owned retail outlets and various IGA category managed supermarkets. Mark is well poised to contribute to the implementation of the Seafood

Management Solution pillar of the Company's business strategy (see Section 2.4 for further details).

(e) **Michael Koukounaras - Head of Trading and Distribution (East Coast Division)**

Michael is a specialist trader across various seafood channels over a 25 year career and joined the Company in July 2020 to head the trading division. He will also head the rollout of the Seafood Management Solution post Admission.

Michael's initiation was with Kailis Bros Pty Ltd East Coast division where he worked closely with the directors in building the business from the ground up over a 14 year period.

He further enhanced his career in diverse seafood trading commodities with the Australian division of USA business Red Chamber Seafoods as regional trading manager for a further five years.

Prior to joining Catalano's, Michael was engaged by CP Global Foods Thailand as General Sales Manager of the Australian division. This encompassed various food products with a focus on CP Farmed Prawn. Michael used his six years' experience in this field to negotiate a supply channel of farmed tiger prawns from Malaysia.

6.4 **Company Secretaries**

(a) **Laurence Lambro Anthony Ziatas – Joint Company Secretary and Group Legal Counsel**

Laurence Ziatas is a senior Australian lawyer and is admitted to practice in the Supreme Courts of Western Australia and South Australia and the High Court of Australia. He is a businessman with over 40 years' experience in business and the law.

Laurence holds two law degrees and an Executive Master of Business Administration from the University of Western Australia, and a Master of Mediation and Conflict Resolution from the University of South Australia. He was formerly the Founder, Director and Chairman of Resource Mining Corporation Limited (ASX: RMI), Lepidico Ltd (ASX:LPD) and Inca Minerals Limited (ASX:ICG).

(b) **Harry Miller – Joint Company Secretary**

Mr Miller has a financial accounting, corporate advisory and company secretarial background across a number of sectors. He acts as Company Secretary for multiple ASX listed companies including Meeka Gold Limited (ASX: MEK), Minbos Resources Limited (ASX: MNB) and I Synergy Group Limited (ASX: IS3) as well as various private companies.

Mr Miller holds a Bachelor of Commerce degree and a Master of Professional Accounting from the University of Notre Dame Australia.

6.5 Interests of Directors

No Director of the Company (or entity in which they are a partner or director) has, or has had in the two years before the Prospectus Date, any interests in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or
- (c) the Offers, and

no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

- (d) any Director to induce him or her to become, or to qualify as, a Director; or
- (e) any Director of the Company for services which he or she (or an entity in which they are a partner or director) has provided in connection with the formation or promotion of the Company or the Offers,

except as disclosed in this Prospectus.

6.6 Security holdings of Directors and key management personnel

As at the Prospectus Date, the Directors and key management personnel and their related entities have the following interests in Securities:

Director	Shares	% ⁽¹⁾
Nick Catalano	1,125,009	2.12%
Koon Poh Low	1,744,531	3.29%
Sharmin Sahafi	Nil	0.00%
Silvestro Morabito	100,000	0.19%
May May Tan (Danielle)	Nil	0.00%
KMP		
Paolino Catalano	875,000	1.65%
David Catalano	265,000	0.50%
Andrew Catalano	345,000	0.65%
Mark Lupica	230,000	0.43%
Michael Koukounaras	Nil	0.00%

1. *Based on the existing Shares on issue at Admission and that no further Shares are issued and no Options exercised.*

Based on the intentions of the Directors and key management personnel at the Prospectus Date in relation to the Public Offer, the Directors and key management personnel and their related entities will have the following interests in Securities on Admission:

Director	Shares	% ⁽¹⁾
Nick Catalano	1,125,009	1.41%
Koon Poh Low	1,744,531	2.18%
Silvestro Morabito	250,000	0.31%
May May Tan (Danielle)	Nil	0.00%
KMP		
Paolino Catalano	875,000	1.09%
David Catalano	265,000	0.33%
Andrew Catalano	345,000	0.43%
Mark Lupica	230,000	0.29%
Michael Koukounaras	Nil	0.00%

1. *Based on Shares being on issue at Admission (on a Minimum Subscription basis) and that no further Shares are issued, and no Options exercised.*

6.7 Remuneration of Directors and key management personnel

The Constitution provides that the Company may remunerate the Directors. The remuneration shall, subject to any resolution of a general meeting, be fixed by the Directors. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is currently set at \$500,000 per annum. The remuneration of the Executive Directors will be determined by the Board.

The Company has entered into a letter of appointment and an executive services agreement with Nick Catalano as well as letters of appointment with Koon Poh Low, Silvestro Morabito and May May Tan (Danielle) as set out in Section 7.3.

The Directors and key management personnel will receive the following remuneration on an annual basis from Admission:

Director	Remuneration (\$)
Nick Catalano	Executive Chairman: \$60,000 (excluding superannuation) CEO: \$200,000 (excluding superannuation)
Koon Poh Low	\$40,000 (excluding superannuation)
Sharmin Sahafi	Nil

Director	Remuneration (\$)
Silvestro Morabito	\$40,000 (excluding superannuation)
May May Tan (Danielle)	\$40,000 (excluding superannuation)
KMP	
Paolino Catalano	\$225,000 (excluding superannuation)
David Catalano	\$150,000 (excluding superannuation)
Andrew Catalano	\$150,000 (excluding superannuation)
Mark Lupica	\$140,000 (excluding superannuation)
Michael Koukounaras	\$195,000 (excluding superannuation)

6.8 Related party transactions

The Company has entered into the following related party transactions on arms' length terms:

- (a) executive services agreement with Nick Catalano (see Section 7.3);
- (b) letters of appointment with its Directors on standard terms (see Section 7.3);
- (c) consultancy agreement with Management Consulting Pty Ltd (**MMC**), of which Silvestro Morabito (being a Proposed Director of Catalano's) is a director and 50% shareholder (see Section 7.5); and
- (d) deeds of indemnity, insurance and access with each of its Directors on standard terms (see Section 7.6).

As at the Prospectus Date, no other material transactions with related parties and Directors' interests exist that the Directors are aware of, other than those disclosed in the Prospectus.

6.9 ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the Company's policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted the 4th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current Board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the Prospectus Date are detailed below. The Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website at <https://www.catalanos.net.au/>.

(a) **Board of Directors**

The Board is responsible for the corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. Clearly articulating the division of responsibilities between the Board and management will help manage expectations and avoid misunderstandings about their respective roles and accountabilities.

In general, the Board assumes (amongst others) the following responsibilities:

- (i) providing leadership and setting the strategic objectives of the Company;
- (ii) appointing and when necessary replacing the Executive Directors;
- (iii) approving the appointment and when necessary replacement, of other senior executives;
- (iv) undertaking appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director;
- (v) overseeing management's implementation of the Company's strategic objectives and its performance generally;
- (vi) approving operating budgets and major capital expenditure;
- (vii) overseeing the integrity of the Company's accounting and corporate reporting systems including the external audit;
- (viii) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities;
- (ix) ensuring that the Company has in place an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate; and
- (x) monitoring the effectiveness of the Company's governance practices.

The Company is committed to ensuring that appropriate checks are undertaken before the appointment of a Director and has in place written agreements with each Director which detail the terms of their appointment.

(b) **Composition of the Board**

Election of Board members is substantially the province of the Shareholders in a general meeting. The Board currently consists of the one Executive Director and two Non-Executive Directors (one of which the Company considers to be independent). As the Company's activities develop in size, nature and scope, the composition of the

Board and the implementation of additional corporate governance policies and structures will be reviewed.

(c) **Identification and management of risk**

The Board's collective experience will assist in the identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

(d) **Ethical standards**

The Board is committed to the establishment and maintenance of appropriate ethical standards.

(e) **Independent professional advice**

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

(f) **Remuneration arrangements**

The remuneration of any Executive Director will be decided by the Board, without the affected Executive Director participating in that decision-making process.

In addition, subject to any necessary Shareholder approval, a Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director (e.g. non-cash performance incentives such as options).

Directors are also entitled to be paid reasonable travel and other expenses incurred by them in the course of the performance of their duties as Directors.

The Board reviews and approves the Company's remuneration policy in order to ensure that the Company is able to attract and retain executives and Directors who will create value for Shareholders, having regard to the amount considered to be commensurate for an entity of the Company's size and level of activity as well as the relevant Directors' time, commitment and responsibility.

The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

(g) **Securities trading policy**

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the Executive Directors). The policy generally provides that the written acknowledgement of the Chairman (or the Board in the case of the Chairman) must be obtained prior to trading.

(h) **Diversity policy**

The Board values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. Accordingly, the Company has set in place a diversity policy. This policy outlines the Company's diversity objectives in relation to gender, age, cultural background and ethnicity. It includes requirements for the Board to establish measurable objectives for achieving diversity, and for the Board to assess annually both the objectives, and the Company's progress in achieving them.

(i) **Audit and risk**

The Company will not have a separate audit or risk committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the financial reporting of the Company, the Company's internal financial control system and risk management systems and the external audit function.

(j) **External audit**

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

(k) **Social media policy**

The Board has adopted a social media policy to regulate the use of social media by people associated with the Company or its subsidiaries to preserve the Company's reputation and integrity. The policy outlines requirements for compliance with confidentiality, governance, legal, privacy and regulatory parameters when using social media to conduct Company business.

(l) **Whistleblower policy**

The Board has adopted a whistleblower protection policy to ensure concerns regarding unacceptable conduct including breaches of the Company's code of conduct can be raised on a confidential basis, without fear of reprisal, dismissal or discriminatory treatment. The purpose of this policy is to promote responsible whistle blowing about issues where the interests of others, including the public, or of the organisation itself are at risk.

(m) **Anti-bribery and anti-corruption policy**

The Board has a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings. The Board has adopted an anti-bribery and anti-corruption policy for the purpose of setting out the responsibilities in observing and upholding the Company's position on bribery and corruption provide information and guidance to those working for the Company on how to recognise and deal with bribery and corruption issues.

6.10 Departures from Recommendations

Following Admission, the Company will be required to report any departures from the Recommendations in its annual financial report.

The Company's compliance and departures from the Recommendations as at the Prospectus Date are detailed in the table below.

Principles and Recommendations	Compliance	Explanation for Departures
Principle 2: Structure the board to be effective and add value		
<p>Recommendation 2.1</p> <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ul style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, <p>and disclose:</p> <ul style="list-style-type: none"> (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	No	<p>The Company has not formed a separate nomination committee given the size of the Board and the nature and scale of the Company's activities. The Board as a whole reviews the size, structure and composition of the Board including competencies and diversity, in addition to reviewing Board succession plans and continuing development. The Board considers that no efficiencies or other benefits would be gained by establishing a separate nomination committee.</p> <p>When the Board meets as a Nomination Committee it will carry out those functions which are delegated to it in the Company's Remuneration and Nomination Committee Charter. Items that are usually required to be discussed by a nomination committee will be marked as separate agenda items at Board meetings when required.</p> <p>The Board has adopted a Remuneration and Nomination Committee Charter which describes the role, composition, functions and responsibilities of a nomination committee.</p>
<p>Recommendation 2.2</p> <p>A listed entity should have and disclose a board skills matrix</p>	Partially	The Board will review capabilities, technical skills and personal attributes of its

Principles and Recommendations	Compliance	Explanation for Departures
setting out the mix of skills that the board currently has or is looking to achieve in its membership.		directors. It will normally review the Board's composition against those attributes and recommend any changes in Board composition that may be required. An essential component of this will be the time availability of Directors. The Company has not disclosed a Board skill matrix.
<p>Recommendation 2.4</p> <p>A majority of the board of a listed entity should be independent directors.</p>	No	<p>On Admission, the Board will not comprise of a majority of independent directors.</p> <p>The Board has formed the view that, given the size and composition of the Board, the current Board structure is appropriate for the Company.</p>
<p>Recommendation 2.5</p> <p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	No	The Chairman of the board is also appointed as CEO of the Company and is not considered independent.
Principle 4: Safeguard the integrity of corporate reports		
<p>Recommendation 4.1</p> <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ul style="list-style-type: none"> (1) has at least three members, all of whom are nonexecutive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and 	No	<p>The Board has not established a separate audit committee. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify having a separate audit committee.</p> <p>The Board as a whole has responsibilities typically assumed by an audit committee, including but not limited to:</p> <ul style="list-style-type: none"> (a) verifying and safeguarding the integrity of the Company's stakeholder reporting; (b) reviewing and approving the audited annual and

Principles and Recommendations	Compliance	Explanation for Departures
<p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>		<p>reviewed half yearly financial reports;</p> <p>(c) reviewing the appointment of the external auditor, their independence and performance, the audit fee, any questions of their resignation or dismissal and assessing the scope and adequacy of the external audit; and</p> <p>(d) a risk management function.</p> <p>When the Board meets as an audit committee it will carry out those functions which are delegated to it in the Company's Audit and Risk Committee Charter. Items that are usually required to be discussed by an audit committee will be marked as separate agenda items at Board meetings when required.</p> <p>The Board has adopted an Audit and Risk Committee Charter which describes the role, composition, functions and responsibilities of a audit committee.</p>
Principle 7: Recognise and manage risk		
<p>Recommendation 7.1</p> <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p style="padding-left: 40px;">(1) has at least three members, a majority of whom are independent directors; and</p> <p style="padding-left: 40px;">(2) is chaired by an independent director,</p> <p>and disclose:</p> <p style="padding-left: 40px;">(3) the charter of the</p>	No	<p>The Board has not established a separate risk committee. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify having a separate risk committee.</p> <p>The Board as a whole has responsibilities typically assumed by an risk committee, including but not limited to:</p> <p style="padding-left: 40px;">(a) ensuring that an appropriate risk-</p>

Principles and Recommendations	Compliance	Explanation for Departures
<p>committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>		<p>management framework is in place and is operating properly; and</p> <p>(b) reviewing and monitoring legal and policy compliance systems and issues.</p> <p>When the Board meets as a risk committee it will carry out those functions which are delegated to it in the Company's Audit and Risk Committee Charter. Items that are usually required to be discussed by a risk committee will be marked as separate agenda items at Board meetings when required.</p> <p>The Board has adopted an Audit and Risk Committee Charter which describes the role, composition, functions and responsibilities of a risk committee.</p>
Principle 8: Remunerate fairly and responsibly		
<p>Recommendation 8.1</p> <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of</p>	No	<p>The Company has not formed a separate remuneration committee given the size of the Board and the nature and scale of the Company's activities.</p> <p>The Board as a whole has responsibilities typically assumed by a remuneration committee, including but not limited to:</p> <p>(a) reviewing the remuneration (including short- and long-term incentive schemes and equity-based remuneration, where applicable) and performance of Directors;</p> <p>(b) setting policies for senior executive remuneration,</p>

Principles and Recommendations	Compliance	Explanation for Departures
<p>the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>		<p>setting the terms and conditions of employment for senior executives, undertaking reviews of senior executive performance, including setting goals and reviewing progress in achieving those goals; and</p> <p>(c) reviewing the Company's senior executive and employee incentive schemes (including equity-based remuneration) (where applicable) and making recommendations to the Non-Executive Chair on any proposed changes.</p> <p>When the Board meets as a remuneration committee it will carry out those functions which are delegated to it in the Company's Remuneration and Nomination Committee Charter. Items that are usually required to be discussed by a remuneration committee will be marked as separate agenda items at Board meetings when required.</p> <p>The Board has adopted a Remuneration and Nomination Committee Charter which describes the role, composition, functions and responsibilities of a remuneration committee.</p>

7. Material Contracts

The Directors consider that certain contracts entered into by the Company are material to the Company or are of such a nature that an investor may wish to have particulars of them when assessing whether to apply for Securities under the Offers. The provisions of such material contracts are summarised in this Section 7.

7.1 Lead Managers' Mandate

On 22 November 2021, the Company entered into a mandate appointing RM Corporate Finance Pty Ltd to act as Lead Manager (**RM Corporate Mandate**) and, on 22 November 2021, a separate mandate with Auspac Financial Advisory Pty Ltd to act as Co-Lead Manager (**Auspac Mandate**) in respect of the Public Offer (together, the **Lead Managers' Mandate**).

Under the Lead Managers' Mandate, the Lead Manager and Co-Lead Manager will provide services and assistance customarily provided in connection with marketing and execution of an initial public offer.

The Company will pay the following fees to the Lead Manager and Co-Lead Manager (or their respective nominees) pursuant to the Lead Managers' Mandate, subject to the successful completion of the Offers:

- (a) a proportionate capital raising fee of 6% of the proceeds from the Offers;
- (b) an equity success fee payable in Shares equal to 500,000 Shares payable solely to the Lead Manager (or its nominees); and
- (c) the offer of 2,500,000 Options exercisable at \$0.30 each and expiring on 30 June 2025 issued solely to the Lead Manager (or its nominees).

See Section 1.10 for further information regarding the Lead Manager and Co-Lead Manager interests in the Offers.

The Lead Managers' Mandate contains additional provisions considered standard for agreements of this nature.

7.2 Corporate Advisor Mandate

The Company entered into a mandate agreement appointing Ventnor Capital Pty Ltd as Corporate Advisor to the Company to provide corporate advisory services on 1 July 2021 (**Corporate Advisor Mandate**).

The Company will pay the following fees to the Corporate Advisor (or its nominees) pursuant to the Corporate Advisor Mandate, subject to the successful completion of the Offers:

- (a) a monthly work fee of \$7,000 per month (plus GST) which is capped at \$14,000;
- (b) a monthly work fee of \$12,500 per month (plus GST) which is capped at \$50,000; and
- (c) a cash success fee equal to \$42,500.

See Section 1.11 for further information regarding the Corporate Advisor's interests in the Offers.

The Corporate Advisor Mandate contains additional provisions considered standard for agreements of this nature.

7.3 **Loan Conversion Deed**

See Section 8.3 for a summary of the Loan Conversion Deed.

7.4 **Bassendean Lease Agreement**

FNP Catalano Nominees Pty Ltd (ACN 008 938 565), a 100% fully owned subsidiary of the Company (**Lessee**) entered into a lease agreement with Maru Pty Ltd (ACN 008 843 043) (**Lessor**) on 28 December 2018 (**Lease Agreement**), pursuant to which the property at 301 Collier Road, Bassendean, WA, 6054 (**Premises**) is leased to the Lessee from the Lessor for an annual rental fee of \$300,000 (plus GST), payable by the Lessee to the Lessor, for a term of 5 years (**Lease**). The Lease commenced on 1 October 2018 and ends 30 September 2023 (**Original Term**).

The Lessee has the option to extend the Lease for a further 5 year term from 1 October 2023 to 30 September 2028 (**Further Term**) and a second further 5 year term from 1 October 2028 to 30 September 2033 (**Second Further Term**), if the Lessee has:

- (a) at least 3 months but not earlier than 6 months prior to the end of each of the Original Term and Further Term, given the Lessor written notice of the desire of the Lessee to continue the tenancy created by the Lease Agreement;
- (b) paid all monies payable by the Lessee under the Lease Agreement including rent, outgoings, rates and taxes and charges for utilities and essential services at the date of providing such written notice and continues to do so up to and including the expiration of each of the Original Term and Further Term; and
- (c) has not been frequently in breach of the Lease which resulted in the Lessor frequently issuing notice of the breaches.

Under the terms of the Lease Agreement, the Lessee is required to take out and maintain public liability insurance with a cover for any one claim of not less than \$20,000,000 and other insurances considered customary for such leases.

The Lease Agreement contains additional provisions considered standard for agreements of this nature.

7.5 **Executive Services Agreements and Letters of Appointment**

(a) **Executive Services Agreement - Nick Catalano**

The Company has entered into an executive services agreement and letter of appointment with Nick Catalano on 8 November 2021, pursuant to which Nick Catalano serves as the Company's CEO and Chairman.

Pursuant to the agreements, Nick Catalano is entitled to receive \$60,000 per annum (excluding statutory superannuation) for his role as chairman. Nick Catalano is also entitled to receive \$200,000 per annum (excluding statutory superannuation) and a vehicle for use for his role as CEO of the Company.

The Board may, in its absolute discretion invite Nick Catalano to participate in bonus and/or other incentive schemes in the Company that it may implement from time to time, subject to compliance with the Corporations Act and Listing Rules.

The agreement is for a three year term, continuing until terminated by either the Company or Nick Catalano giving not less than six months' written notice of termination to the other party (or shorter period in limited circumstances).

Nick Catalano is also subject to restrictions in relation to the use of confidential information during and after his employment with the Company ceases and being directly or indirectly involved in a competing business during the continuance of his employment with the Company and for a period of up to six months after his employment with the Company ceases, on terms which are otherwise considered standard for agreements of this nature.

In addition, both the agreements contain additional provisions considered standard for agreements of their nature.

(b) **Non-Executive Director Letter of Appointment – Koon Poh Low**

The Company has entered into a non-executive director letter of appointment with Koon Poh Low pursuant to which the Company has agreed to pay Koon Poh Low \$40,000 per annum (excluding statutory superannuation) for services provided to the Company as Non-Executive Director.

The agreement contains additional provisions considered standard for agreements of this nature.

(c) **Non-Executive Director Letter of Appointment and Consultancy Agreement – Silvestro Morabito**

The Company has entered into a non-executive director letter of appointment with Silvestro Morabito which takes effect from the date of Admission, pursuant to which the Company has agreed to pay Silvestro Morabito \$40,000 per annum (excluding statutory superannuation) for services provided to the Company as Non-Executive Director.

In addition to Silvestro Morabito's letter of appointment, the Company entered into a management consulting letter of engagement with Morabito Management Consulting Pty Limited (**MMC**), of which Silvestro Morabito (a Proposed Director of Catalano's) is a director and 50% shareholder of the company, on 17 April 2021 (**Consultancy Agreement**) pursuant to which MMC will:

- (i) work with the Company executives to deliver the store in store seafood concept inside independent food retail stores, including but not limited to IGA, SupalGA, SUPAVALU, Foodland and Foodwork bannered businesses across Australia;
- (ii) open up MMC's independent network to facilitate meetings in which the store in store concept is presented and on boarded;
- (iii) assist with the development of the project plan and provide strategic thinking around the most intelligent approach to ensure a successful execution of the store in store concept into the independent food retail space;

- (iv) provide industry expertise and general insights; and
 - (v) provide advisory support to the Company's executives and Directors,
- (together, **Consultancy Services**).

In accordance with the Consultancy Agreement, MMC will provide the Consultancy Services to the Company for a total of 16 hours per month in consideration for a monthly retainer of \$6,000 (plus GST). Consultancy Services provided in excess of 16 hours per month, will be charged at an hourly rate of \$400 per hour (plus GST).

The Letter of Appointment and Consultancy Agreement both contain additional provisions considered standard for agreements of their nature.

(d) **Non-Executive Director Letter of Appointment – May May Tan (Danielle)**

The Company has entered into a non-executive director letter of appointment with May May Tan (Danielle) which takes effect from the date of Admission, pursuant to which the Company has agreed to pay May May Tan \$40,000 per annum (excluding statutory superannuation) for services provided to the Company as Non-Executive Director.

The agreement contains additional provisions considered standard for agreements of this nature.

7.6 **Deeds of indemnity, insurance and access**

The Company is party to a deed of indemnity, insurance and access with each of the Directors. Under these deeds, the Company indemnifies each Director to the extent permitted by law against any liability arising as a result of the Director acting as a director of the Company. The Company is also required to maintain insurance policies for the benefit of the relevant Director and must allow the Directors to inspect board papers in certain circumstances. The deeds are considered standard for documents of this nature.

8. Additional information

8.1 Rights attaching to Shares

A summary of the rights attaching to the Shares is detailed below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to the Shares in any specific circumstances, the Shareholder should seek legal advice.

- (a) **(Ranking of Shares):** At the Prospectus Date, all Shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with existing Shares.
- (b) **(Voting rights):** Subject to any rights or restrictions, at general meetings:
 - (i) every Shareholder present and entitled to vote may vote in person or by attorney, proxy or representative;
 - (ii) has one vote on a show of hands; and
 - (iii) has one vote for every Share held, upon a poll.
- (c) **(Dividend rights):** Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up, from the date of payment. No dividend carries interest against the Company and the declaration of Directors as to the amount to be distributed is conclusive.

Shareholders may be paid interim dividends or bonuses at the discretion of the Directors. The Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend.

- (d) **(Variation of rights):** The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.
- (e) **(Transfer of Shares):** Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in the approved form, and signed by the transferor and the transferee. Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of Shares upon which the Company has a lien.

- (f) **(General meetings):** Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

The Directors may convene a general meeting at their discretion. General meetings shall also be convened on requisition as provided for by the Corporations Act.

- (g) **(Unmarketable parcels):** The Company's Constitution provides for the sale of unmarketable parcels subject to any applicable laws and provided a notice is given to the minority Shareholders stating that the Company intends to sell their relevant Shares unless an exemption notice is received by a specified date.
- (h) **(Rights on winding up):** If the Company is wound up, the liquidator may with the sanction of special resolution, divide the assets of the Company amongst members as the liquidator sees fit. If the assets are insufficient to repay the whole of the paid up capital of members, they will be distributed in such a way that the losses borne by members are in proportion to the capital paid up.
- (i) **(Restricted Securities):** A holder of Restricted Securities (as defined in the Listing Rules) must comply with the requirements imposed by the Listing Rules in respect of Restricted Securities.

8.2 Terms and conditions of Options

The following terms and conditions apply to each of the Options on issue as at the date of Admission:

- (a) **(Entitlement):** Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
- (b) **(Issue Price):** The Options were issued for nil consideration.
- (c) **(Exercise Price):** The Options will have an exercise price of \$0.30 each.
- (d) **(Expiry Date):** Each Option will expire at 5:00pm (WST) on 30 June 2025 (Expiry Date). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (e) **(Exercise Period):** The Options are exercisable at any time and from time to time on or prior to the Expiry Date.
- (f) **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

- (g) **(Timing of issue of Shares and quotation of Shares on exercise):** within 5 Business Days after the valid exercise of an Option, the Company will:
 - (i) issue, allocate or cause to be transferred to the Participant the number of Shares to which the Participant is entitled;

- (ii) issue a substitute Certificate for any remaining unexercised Options held by the Participant;
- (iii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
- (iv) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

All Shares issued upon the exercise of Options will upon issue rank equally in all respects with the then issued Shares.

- (h) **(Restrictions on transfer of Shares):** If the Company is required but unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Options may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.
- (i) **(Dividend and voting rights):** The Options do not confer on the holder an entitlement to vote at general meetings of the Company or to receive dividends.
- (j) **(Transferability of the Options):** The Options are not transferable, except with the prior written approval of the Company and subject to compliance with the Corporations Act.
- (k) **(Quotation of the Options):** The Company will not apply for quotation of the Options on any securities exchange.
- (l) **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Option holder will be varied in accordance with the Listing Rules.
- (m) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
- (n) **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - (i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
 - (ii) no change will be made to the Exercise Price.

8.3 Conversion Shares

On 8 December 2021, the Company entered into a loan conversion deed (**Loan Conversion Deed**) with RMM, to provide for the conversion of an existing loan in the amount of \$300,000 owed by Catalano's to RMM (**RMM Loan**) into 1,500,000 Shares at \$0.20 each (**Conversion Shares**).

Under the terms of the Loan Conversion Deed:

- (a) the RMM Loan will convert into 1,500,000 Shares as soon as practicable following receipt by Catalano's of ASX's conditional approval to the Company's Admission (on conditions satisfactory to the Company); and
- (b) RMM has agreed to forego any accrued interest, charges and expenses in relation to the conversion and the conversion will be in full and final settlement of all monies owing by Catalano's to RMM arising from or incidental to the RMM Loan.

8.4 Summary of the Company's Employee Securities Incentive Plan

The Catalano Seafood Ltd employee securities incentive plan (**Plan**) was adopted by the Board on or about the Prospectus Date. The full terms of the Plan may be inspected at the registered office of the Company during normal business hours. A summary of the terms of the Plan is set out below. It is intended that both the Executive and Non-Executive Directors will participate in the Plan.

- (a) **(Eligible Participant):** Eligible Participant means a person that:
 - (i) is an "eligible participant" (as that term is defined in ASIC Class Order 14/1000) in relation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order 14/1000); and
 - (ii) has been determined by the Board to be eligible to participate in the Plan from time to time.
- (b) **(Maximum allocation):**
 - (i) The Company must not make an offer of Securities under the Plan in reliance on the disclosure relief in ASIC Class Order 14/1000 where the total number of Plan Shares that may be issued (**Plan Securities**), or acquired upon exercise of convertible securities offered under the Plan (**Convertible Securities**), when aggregated with the number of Shares issued or that may be issued as a result of offers made under the Plan in reliance on the disclosure relief in ASIC Class Order 14/1000 at any time during the previous 3 year period would exceed 5% of the total number of Shares on issue at the date of the offer.
 - (ii) The maximum number of equity securities proposed to be issued under the Plan for the purposes of the Listing Rules is 7,995,000 (**ASX Limit**), meaning that the Company may issue up to the ASX Limit under the Plan, without seeking Shareholder Approval and without reducing its placement capacity under Listing Rule 7.1.
- (c) **(Purpose):** The purpose of the Plan is to:
 - (i) assist in the reward, retention and motivation of Eligible Participants;
 - (ii) link the reward of Eligible Participants to Shareholder value creation; and
 - (iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.
- (d) **(Plan administration):** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.

- (e) **(Eligibility, invitation and application):** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides.

On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

- (f) **(Grant of Securities):** The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

- (g) **(Terms of Convertible Securities):** Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

- (h) **(Vesting of Convertible Securities):** Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

- (i) **(Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between

the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

- (j) **(Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
- (k) **(Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
 - (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- (l) **(Change of control):** If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
- (m) **(Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (**Plan Shares**) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

- (n) **(Disposal restrictions on Securities):** If the invitation provides that any Plan Shares or Convertible Securities are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share or Convertible Security is subject to any disposal restrictions under the Plan, the Participant will not:

- (i) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
- (ii) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

Notwithstanding any other provision of the Plan, where a Plan Share or Convertible Security is issued in reliance on the Company satisfying the start-up company requirements in section 83A-33 of the *Income Tax Assessment Act 1997* (Cth) (**Tax Act**), a legal or a beneficial interest in the Convertible Security may not be disposed of until the earlier of:

- (i) the Eligible Participant to whom the Convertible Securities were offered under an invitation becoming neither an employee nor a director of the Company;
- (ii) three (3) years after the acquisition date of the Convertible Security;
- (iii) a disposal under an arrangement which meets the requirements in section 83A-130 of the Tax Act;
- (iv) such time as the Commissioner of Taxation allows in accordance with section 83A-45(5) of the Tax Act; and
- (v) the Board determines that the Commissioner of Taxation is reasonably likely to allow a disposal of the Convertible Security under section 83A-45(5) of the Tax Act.

- (o) **(Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

- (p) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in

any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

- (q) **(Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

- (r) **(Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

8.5 Effect of the Offers on control and substantial Shareholders

Those Shareholders holding an interest in 5% or more of the Shares on issue as at the Prospectus Date are as follows:

Name	Number of Shares	% of Shares ⁽¹⁾
Windsor Investments Pte. Ltd	11,473,648	21.65%
Michael Marcus Liew	10,623,748	20.05%
Eugene Pong Sin Tee	8,498,998	16.04%
Chai Yuk Liw	4,249,499	8.02%
The Rain Maker Mgmt Pte Ltd	3,399,599	6.41%

1. Based on existing Shares on issue as at the Prospectus Date.

Based on the information known as at the Prospectus Date, on Admission the following persons will have an interest in 5% or more of the Shares on issue (undiluted):

Name	Number of Shares	% of Shares ⁽¹⁾
Windsor Investments Pte. Ltd	11,473,648	14.34%

Name	Number of Shares	% of Shares⁽¹⁾
Michael Marcus Liew	10,623,748	13.28%
Eugene Pong Sin Tee	8,498,998	10.62%
Chai Yuk Liw	4,249,499	5.31%

1. *Based on Shares being on issue at Admission (on a Minimum Subscription basis).*

8.6 Interests of promoters, experts and advisers

(a) **No interest except as disclosed**

Other than as set out below or elsewhere in this Prospectus, no persons or entity named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus holds at the Prospectus Date, or held at any time during the last two years, any interest in:

- (i) the formation or promotion of the Company;
- (ii) property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or
- (iii) the Offers,

and the Company has not paid any amount or provided any benefit, or agreed to do so, to any of those persons for services rendered by them in connection with the formation or promotion of the Company or the Offers.

(b) **Share Registry**

Computershare Investor Services Pty Limited has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

(c) **Auditor**

Grant Thornton Audit Pty Ltd has been appointed to act as Auditor to the Company. The Company estimates it will pay Grant Thornton Audit Pty Ltd a total of \$46,789 (excluding GST) for these services.

During the 24 months preceding lodgement of this Prospectus with ASIC, Grant Thornton Audit Pty Ltd has been paid approximately \$133,439.12 (excluding GST) for these services and approximately \$40,000 for (excluding GST) for non-audit services.

(d) **Corporate Lawyers**

HWL Ebsworth Lawyers (**HWLE**) has acted as the Corporate Lawyers to the Company in relation to the Offers. The Company estimates it will pay HWLE \$95,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates.

During the 24 months preceding lodgement of this Prospectus with ASIC, HWLE has not provided legal services to the Company.

(e) **Investigating Accountant**

Grant Thornton Corporate Finance Pty Limited has acted as Investigating Accountant and has prepared the Independent Limited Assurance Report which is included in Annexure A of this Prospectus. The Company estimates it will pay Grant Thornton Corporate Finance Pty Limited a total of \$40,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Grant Thornton Corporate Finance Pty Limited has not provided services to the Company.

(f) **Lead Manager and Co-Lead Manager**

RM Corporate Finance Pty Ltd has acted as the Lead Manager and Auspac Financial Advisory Pty Ltd has acted as the Co-Lead Manager to the Offers. Details of the payments to be made to the Lead Manager and Co-Lead Manager is set out in Section 7.1. During the 24 months preceding lodgement of this Prospectus with ASIC, the Lead Managers have not provided services to the Company.

(g) **Corporate Adviser**

Ventnor Capital Pty Ltd has acted as the Corporate Adviser to the Offers. Details of the payments to be made to the Corporate Adviser is set out in Section 7.2. The Company estimates it will pay Ventnor Capital Pty Ltd a total of \$106,500 (excluding GST) for these services in connection with the Offers.

During the 24 months preceding lodgement of this Prospectus with ASIC, Ventnor Capital Pty Ltd has been paid approximately \$119,000 (excluding GST) for services to the Company.

8.7 **Consents**

(a) Each of the parties referred to below:

- (i) do not make the Offers;
- (ii) does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below or elsewhere in this Prospectus;
- (iii) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified below; and
- (iv) has given and has not, prior to the lodgement of this Prospectus with ASIC, withdrawn its consent to the inclusion of the statements in this Prospectus that are specified below in the form and context in which the statements appear.

(b) **Share Registry**

Computershare Investor Services Pty Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in

this Prospectus as Share Registry of the Company in the form and context in which it is named.

(c) **Auditor**

Grant Thornton Audit Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as Auditor of the Company in the form and context in which it is named.

(d) **Corporate Lawyers**

HWLE has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Corporate Lawyers to the Company in the form and context in which it is named.

(e) **Investigating Accountant**

Grant Thornton Corporate Finance Pty Limited has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Investigating Accountant to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Independent Limited Assurance Report in the form and context in which it is included.

(f) **Lead Manager and Co-Lead Manager**

RM Corporate Finance Pty Ltd and Auspac Financial Advisory Pty Ltd have separately given, and not withdrawn prior to the lodgement of this Prospectus with ASIC, their written consent to being named in this Prospectus as the Lead Manager and Co-Lead Manager to the Offers in the form and context in which it is named.

(g) **Corporate Adviser**

Ventnor Capital Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Corporate Adviser to the Company in the form and context in which it is named.

8.8 Expenses of Offers

The total approximate expenses of the Offers payable by the Company are:

	A\$	
	Minimum Subscription	Maximum Subscription
ASIC lodgement fee	3,206	3,206
ASX quotation fees	83,978	85,098
Legal fees	95,000	95,000
Audit fees	46,789	46,789

	A\$	
	Minimum Subscription	Maximum Subscription
Investigating Accountant fees	40,000	40,000
Corporate Advisor success fee ⁽¹⁾	42,500	42,500
Lead Manager and Co-Lead Manager fees ⁽²⁾	300,000	360,000
Printing, postage and administration fees	10,000	10,000
Total	621,473	682,593

1. See Section 7.2 for a summary of the Corporate Adviser Mandate.
2. See Section 7.1 for a summary of the Lead Managers' Mandate.

8.9 Continuous disclosure obligations

Following Admission, the Company will be a 'disclosing entity' (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Shares (unless a relevant exception to disclosure applies). Price sensitive information will be publicly released through ASX before it is otherwise disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to ASX. In addition, the Company will post this information on its website after ASX confirms that an announcement has been made, with the aim of making the information readily accessible to the widest audience.

8.10 Litigation

So far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company (or any other member of the Group) is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company.

8.11 Electronic Prospectus

Pursuant to Regulatory Guide 107 ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Shares in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an Electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

The Company and the Lead Manager and Co-Lead Manager reserve the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the Electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

8.12 Documents available for inspection

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 8.7 of this Prospectus.

8.13 Statement of Directors

The Directors report that after due enquiries by them, in their opinion, since the date of the financial statements in Section 5 and the Independent Limited Assurance Report in Annexure A, there have not been any circumstances that have arisen or that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of the Company, other than as disclosed in this Prospectus.

9. **Authorisation**

The Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company by:

A handwritten signature in blue ink, appearing to read 'Nick Catalano', is written in a cursive style.

Nick Catalano

CEO and Executive Chairman

Dated: 16 December 2021

10. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

\$	means Australian dollars.
Admission	means admission of the Company to the Official List, following completion of the Offers.
Applicant	means a person who submits an Application Form.
Application	means a valid application for Securities pursuant to this Prospectus.
Application Form	means the application form attached to this Prospectus (including the electronic form provided by an online application facility).
Application Monies	means the amount of money submitted or made available by an Applicant in connection with an Application.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited (ACN 008 624 691) or, where the context requires, the financial market operated by it.
ASX Settlement	means ASX Settlement Pty Limited (ACN 008 504 532).
ASX Settlement Rules	means ASX Settlement Operating Rules of ASX Settlement.
Auditor	means Grant Thornton Audit Pty Ltd (ACN 269 609 023).
Board	means the board of Directors of the Company from time to time.
Broker	means any ASX participating organisation selected by the Lead Manager, Co-Lead Manager and the Company to act as a broker to the Public Offer.
Capture Fisheries Production	means the kinds of harvesting of naturally occurring living resources in both marine and freshwater environments.
CHESS	means the Clearing House Electronic Subregister System operated by ASX Settlement.
Closing Date	means the date that the Offers close which is 5:00pm (WST) on 10 February 2022 or such other time and date as the Board determines.
Company	means Catalano Seafood Ltd (ACN 633 353 125).
Completion	means the date on which the Securities are issued and transferred to Applicants in accordance with the terms of the Offers.
Constitution	means the constitution of the Company.
Conversion Shares	has the meaning in Section 8.3.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth), as amended from time to time.

Corporate Advisor	means Ventnor Capital Pty Ltd (ACN 111 543 741).
Corporate Advisor Mandate	means the mandate entered between the Company and Corporate Advisor dated 1 July 2021 for the provision of corporate advisory services.
Directors	means the directors of the Company from time to time and includes the Existing Directors and the Proposed Directors, as the context requires.
Electronic Prospectus	means the electronic copy of this Prospectus located at the Company's website https://www.catalanos.net.au/ .
Existing Directors	means Nicolino (Nick) Catalano, Koon Poh Low and Sharmin Sahafi.
Expiry Date	means 13 months after the Prospectus Date.
Exposure Period	means the period of seven days after the Prospectus Date, which period may be extended by the ASIC by not more than seven days pursuant to section 727(3) of the Corporations Act.
Financial Information	has the meaning given in Section 5.
GST	means Goods and Services Tax.
Historical Financial Information	has the meaning given in Section 5.
Independent Limited Assurance Report	means the report prepared by the Investigating Accountant in Annexure A.
Indicative Timetable	means the indicative timetable for the Offers on page ix of this Prospectus.
Investigating Accountant	means Grant Thornton Corporate Finance Pty Limited (ACN 003 265 987).
Issue Date	means the date, as determined by the Directors, on which the Securities offered under this Prospectus are allotted, which is anticipated to be the date identified in the Indicative Timetable.
Lead Manager	means RM Corporate Finance Pty Ltd (AFSL 315235).
Co-Lead Manager	means Auspac Financial Advisory Pty Ltd.
Lead Manager Mandate	means the mandate entered between the Company and the Lead Manager and Co-Lead Manager dated 22 November 2021 for the provision of lead manager services and joint bookrunner services in respect of the Public Offer.
Lead Manager Offer	means the offer of 2,500,000 Options and 500,000 Shares to the Lead Manager (or its nominees).
Lead Manager Securities	means the 2,500,000 Options and the 500,000 Shares to be issued to the Lead Manager (or its nominees).
Listing Rules	means the listing rules of ASX.

Maximum Subscription	means the raising of \$6,000,000 (before costs) pursuant to the Public Offer.
Minimum Subscription	means the raising of \$5,000,000 (before costs) pursuant to the Public Offer.
Offers	means the Public Offer and the Lead Manager Offer.
Offer Price	means \$0.20 per Share.
Official List	means the official list of ASX.
Official Quotation	means official quotation by ASX in accordance with the Listing Rules.
Opening Date	means the date specified as the opening date in the Indicative Timetable.
Option	means an option, giving the holder the right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.
Plan	means the Catalano Seafood Ltd Employee Securities Incentive Plan.
Proposed Directors	means May May Tan (Danielle) and Silvestro Morabito.
Prospectus	means this prospectus dated 16 December 2021.
Prospectus Date	means the date on which a copy of this Prospectus was lodged with ASIC, being 16 December 2021.
Public Offer	means an initial public offering of Shares, at the Offer Price, to apply for a minimum of 25,000,000 Shares and a maximum of 30,000,000 Shares, to raise a minimum of \$5,000,000 and a maximum of \$6,000,000 (before costs).
Recommendations	means the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4 th Edition).
Relevant Interest	has the meaning given in the Corporations Act.
RMM	means The Rain Maker MGMT Sdn Bhd.
Seafood Management Solution	has the meaning in Section 2.3.
Section	means a section of this Prospectus.
Securities	means any securities, including Shares or Options, issued or granted by the Company.
Share	means a fully paid ordinary share in the capital of the Company.
Share Registry	means Computershare Investor Services Pty Limited (ACN 078 279 277).
Shareholder	means a holder of one or more Shares.

WST

means Western Standard Time, being the time in Perth, Western Australia.

Annexure A Independent Limited Assurance Report



Grant Thornton

An instinct for growth™

The Board of Directors
Catalano Seafood Limited
301 Collier Road
BASSENDEAN WA 6054

15 December 2021

**Grant Thornton Corporate
Finance Pty Ltd**
Level 43 Central Park
152-158 St Georges Terrace
Perth WA 6000

PO Box 7757
Cloisters Square
Perth WA 6850

T +61 8 9480 2000

Dear Directors,

CATALANO SEAFOOD LTD – INDEPENDENT LIMITED ASSURANCE REPORT AND FINANCIAL SERVICES GUIDE

Introduction

Grant Thornton Corporate Finance Pty Ltd (“Grant Thornton Corporate Finance”) has been engaged by Catalano Seafood Ltd (“CSL”, or the “Company”) to prepare this report for inclusion in the prospectus to be issued by the Company on or about 16 December 2021 (the “Prospectus”) in respect of the initial public offering of fully paid ordinary shares in the Company (“the Public Offer”) and admission to the Australian Securities Exchange.

Grant Thornton Corporate Finance holds an Australian Financial Services Licence (AFS Licence Number 247140). This report is both an Independent Limited Assurance Report, the scope of which is set out below, and a Financial Services Guide, as attached at **Appendix A**.

Expressions defined in the Prospectus have the same meaning in this report, unless otherwise specified.

ABN-59 003 265 987 ACN-003 265 987 AFSL-247140

Grant Thornton Corporate Finance Pty Ltd ABN 59 003 265 987 ACN 003 265 987 a subsidiary or related entity of Grant Thornton Australia Limited ABN 41 127556 389 Holder of Australian Financial Services Licence No. 247140 ‘Grant Thornton’ refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Limited is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another’s acts or omissions. In the Australian context only, the use of the term ‘Grant Thornton’ may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of Australian Financial Services Licensees).

www.grantthornton.com.au

Scope of this Report

Grant Thornton Corporate Finance Pty Ltd has been engaged by the Directors to perform a limited assurance engagement in relation to the following statutory historical of Catalano Unit Trust (“CUT” or “the Trust”) for the financial year ended 30 June 2019 (FY19) and Catalano Seafood Ltd (Formerly Catalano Seafood Pty Ltd) (“CSL” or “the Company”) for the financial years ended 30 June 2020 (FY20) and 30 June 2021 (FY21) and pro forma historical financial information of CSL included at Section 5.6 of the Prospectus.

Statutory Historical Financial Information for CUT and CSL

- Audited statutory historical statements of comprehensive income for CUT for the financial year ended 30 June 2019 (“FY19”), and CSL for the financial years ended 30 June 2020 (“FY20”) and 30 June 2021 (“FY21”) (Statutory Historical Statement of Comprehensive Income included at Section 5.3);
- Audited statutory historical cash flow statements for CUT for FY19 and for CSL for FY20 and FY21 (Statutory Historical Cash Flows included at Section 5.4); and
- Audited statutory historical statements of financial position for CUT as at 30 June 2019 and for CSL as at 30 June 2020 and 30 June 2021 (Statutory Historical Statement of Financial Position included at Section 5.5).

(together, the “Statutory Historical Financial Information”)

Pro Forma Historical Financial Information

- The pro forma historical statement of financial position of the Company as at 30 June 2021 which assumes completion of the transactions outlined in Section 5.7 of the Prospectus as though they had occurred at that date.

The Pro Forma Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to the general purpose financial reports prepared in accordance with the Corporations Act 2001.

As described in Section 5.2 of the Prospectus, the stated basis of preparation is the recognition and measurement principles contained in the Australian Accounting Standards and the Company’s adopted accounting policies.

The Pro Forma Historical Financial Information has been derived from the Statutory Historical Financial Information after adjusting for the effects of the pro forma adjustments described in Section 5.7 of the Prospectus (“the Pro Forma Adjustments”). The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards and the Company’s adopted accounting policies applied to the Pro Forma Adjustments as if those events or transactions had occurred as at the date of the Statutory Historical Financial Information and does not represent the Company’s actual or prospective financial position.

Prospective investors should be aware of the material risks and uncertainties relating to an investment in the Company, which are detailed at Section 4 of the Prospectus, and the inherent uncertainty relating to the prospective financial information. Accordingly prospective investors should have regard to the investment risks and sensitivities set out in Section 4 of the Prospectus.

Directors' Responsibility

The Directors of the Company are responsible for:

- The preparation and presentation of Statutory Historical Financial Information;
- The preparation and presentation of Pro Forma Historical Financial Information, including the selection and determination of the pro forma adjustments included in the Pro Forma Historical Financial Information; and
- The information contained within the Prospectus.

This responsibility also includes compliance with applicable laws and regulations and for such internal controls as the Directors determine necessary to enable the preparation of the Statutory Historical Financial Information and Pro Forma Historical Financial Information that are free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Statutory Historical Financial Information and Pro Forma Historical Financial Information based on the procedures performed and evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3420: *“Assurance Engagements to Report on the Compilation of Pro Forma Historical Pro Forma Financial Information”* and ASAE 3450: *“Assurance Engagements involving Corporate Fundraisings and/ or Prospective Historical Pro Forma Financial Information”*.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards, and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit reports used as a source of the financial information.

We have performed the following procedures as we, in our professional judgement, considered reasonable in the circumstances:

- Consideration of work papers, accounting records and other documents;
- Consideration of the appropriateness of the pro forma adjustments described in Section 5.7;
- Enquiry of Directors and management in relation to the Statutory Historical Financial Information and the Pro Forma Historical Financial Information;
- Analytical procedures applied to the Statutory Historical Financial Information and the Pro Forma Historical Financial Information;
- A review of the accounting records and other documents of the Company and its auditors; and
- A review of the consistency of the application of the stated basis of preparation and adopted accounting policies as described in the Prospectus used in the preparation of the Statutory Historical Financial Information and the Pro Forma Historical Financial Information.

Our limited assurance engagement has not been carried out in accordance with auditing or other standards and practices generally accepted in any jurisdiction outside of Australia and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

We have assumed, and relied on representations from certain members of management of the Company, that all material information concerning the prospects and proposed operations of the Company has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

Conclusion

Statutory Historical Financial Information and Pro Forma Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention which causes us to believe that the Statutory Historical Financial Information and Pro Forma Historical Financial Information is not presented fairly, in all material respects, in accordance with the stated basis of preparation and the pro forma adjustments as described in Section 5.7 of the Prospectus.

Restriction on Use

Without modifying our conclusion, we draw attention to Section 5.2 of the Prospectus, which describes the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, this Independent Limited Assurance Report may not be suitable for use for another purpose.

Consent

Grant Thornton Corporate Finance has consented to the inclusion of this Independent Limited Assurance Report in the Prospectus in the form and context in which it is included.

Liability

The liability of Grant Thornton Corporate Finance is limited to the inclusion of this report in the Prospectus. Grant Thornton Corporate Finance makes no representation regarding, and has no liability, for any other statements or other material in, or omissions from the Prospectus.

Independence or Disclosure of Interest

Grant Thornton Corporate Finance does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. Grant Thornton Corporate Finance will receive a professional fee for the preparation of this Independent Limited Assurance Report.

Yours faithfully

GRANT THORNTON CORPORATE FINANCE PTY LTD

A handwritten signature in black ink, appearing to read 'M Ramji', with a long horizontal flourish extending to the right.

Mitesh Ramji

Partner and Authorised Representative



Grant Thornton

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Grant Thornton Corporate Finance Pty Ltd
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Perth WA 6000

PO Box 7757
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Perth WA 6850

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Appendix A (Financial Services Guide)

This Financial Services Guide is dated 15 December 2021.

1 About us

Grant Thornton Corporate Finance Pty Ltd (ABN 59 003 265 987 and Australian Financial Services Licence no 247140) ("Grant Thornton Corporate Finance") has been engaged by Catalano Seafood Limited ("Catalano's", or the "Company") to provide general financial product advice in the form of an Independent Limited Assurance Report (the "Report") in relation to the initial public offering of fully paid ordinary shares in the Company (the "Public Offer") and admission to the Australian Securities Exchange. This report is included in the prospectus dated on or about 16 December 2021 (the "Prospectus"). You have not engaged us directly but have been provided with a copy of the Report as a retail client because of your connection to the matters set out in the Report.

2 This Financial Services Guide

This Financial Services Guide (FSG) is designed to assist retail clients in their use of any general financial product advice contained in the report. This FSG contains information about Grant Thornton Corporate Finance generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the report, and how complaints against us will be dealt with.

3 Financial services we are licensed to provide

Our Australian financial services licence allows us to provide a broad range of services, including providing financial product advice in relation to various financial products such as securities and superannuation products and deal in a financial product by applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of securities and superannuation products.

ABN-59 003 265 987 ACN-003 265 987 AFSL-247140

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4 General financial product advice

The report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs. You should consider your own objectives, financial situation and needs when assessing the suitability of the Report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

5 Fees, commissions and other benefits we may receive

Grant Thornton Corporate Finance charges fees to produce reports, including this report. These fees are negotiated and agreed with the entity which engages Grant Thornton Corporate Finance to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the person who engages us. In the preparation of this report, Grant Thornton Corporate Finance will receive from the Company a fee of \$40,000 which is based on commercial rates plus reimbursement of out-of-pocket expenses.

Partners, Directors, employees or associates of Grant Thornton Corporate Finance, or its related bodies corporate, may receive dividends, salary or wages from Grant Thornton Australia Ltd. None of those persons or entities receive non-monetary benefits in respect of, or that is attributable to, the provision of the services described in this FSG.

6 Referrals

Grant Thornton Corporate Finance - including its Partners, Directors, employees, associates and related bodies corporate - does not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licenced to provide.

7 Associations with issuers of financial products

Grant Thornton Corporate Finance and its Partners, Directors, employees or associates and related bodies corporate may from time to time have associations or relationships with the issuers of financial products. For example, Grant Thornton Australia Ltd may be the auditor of, or provide financial services to the issuer of a financial product and Grant Thornton Corporate Finance may provide financial services to the issuer of a financial product in the ordinary course of its business.

In the context of the Report, Grant Thornton Corporate Finance considers that there are no such associations or relationships which influence in any way the services described in this FSG.

8 Independence

Grant Thornton Corporate Finance is required to be independent of the Company in order to provide this report. The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

“Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with Catalano Seafood Limited (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Public Offer.

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Public Offer, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the Public Offer.

Grant Thornton Corporate Finance’s out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

9 Complaints

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Australian Financial Complaints Authority (AFCA) (membership no. 11800). All complaints must be in writing and addressed to the Head of Corporate Finance at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to AFCA who can be contacted at:

Australian Financial Complaints Authority

GPO Box 3
Melbourne, VIC 3001
Telephone: 1800 367 287
Email: info@afca.org.au

Grant Thornton Corporate Finance is only responsible for the report and FSG. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

10 Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

11 Contact Details

Grant Thornton Corporate Finance can be contacted by sending a letter to the following address:

Head of Corporate Finance

Grant Thornton Corporate Finance Pty Ltd
Level 17, 383 Kent Street
Sydney, NSW, 2000