



30 November 2018

ASX:AS1 – Introduction of Tax Exempt Employee Share Plan

Angel Seafood Holdings Ltd (ASX: AS1) ("the Company") announces that it will introduce a Tax Exempt Share Plan ("Share Plan"). The Share Plan has been put in place to recognise the contribution that Angel's employees make to the growing success of the business.

The Plan will be operated so that that shares acquired by eligible employees under the Share Plan satisfy the exemption conditions, so as to permit the application of section 83A-35 of the Income Tax Assessment Act 1997. Under this concession, employees can reduce the discount amount of their employee share scheme acquisitions that must be included up-front in their taxable income by up to \$1,000.

It is proposed that all eligible employees will be offered AS1 shares to the value of \$1,000 each in year one, with no consideration payable by employees. The offer provides employees with a financial share in the Company and, through share ownership Angel employees will have further incentive to contribute to the Company's financial performance. Share ownership will align employee's interests with those of Angel's shareholders and with the Company's overall performance.

Given the current numbers of eligible employees and the recent share price, the company expects to issue up to approximately 141,000 ordinary restricted shares in total under this inaugural offer. The Company intends to expand the opportunity for employees to grow their share ownership in future years in accordance with the terms of the Share Plan. An overview of the Share Plan is set out in the attached Annexure 1.

The Company currently does not intend to seek shareholder approval for the Share Plan, and therefore:

- (a) shares issued under the Share Plan will be included in the 15% limit of shares able to be issued by the Company without shareholder approval under ASX Listing Rule 7.1; and
- (b) directors are not eligible to be offered shares under the Share Plan.

However, in future the Board may, at its absolute discretion, seek shareholder ratification at any General Meeting of shareholders pursuant to ASX Listing Rule 7.4 for shares issued under the Share Plan, or may seek shareholder approval for the Share Plan itself.

Further Information:

Any questions or requests for further information should be directed via email to:

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Ends.

ANNEXURE 1

Overview of Angel Tax Exempt Share Plan

Eligible employees	<p>For the inaugural offer, the Board has determined that eligible participants will be all permanent full-time and part-time employees of the Angel Group who are Australian tax residents and over the age of 18 excluding:</p> <ul style="list-style-type: none"> • directors • close family member of directors • employees on salaries of \$180,000 pa or greater.
Class of securities to be offered	Fully paid ordinary shares.
Terms of shares to be offered	<p>Shares issued by the Company under the Share Plan will have a holding lock on them for the period of three years from issue or until cessation of employment, whichever occurs earlier. Other than this, the Shares will rank equally with all other ordinary shares of the Company.</p>
Number of shares to be offered	<p>In the inaugural offer, each eligible employee will be offered shares to the value of \$1,000. The actual number of shares will therefore be dependent on the market price of the shares immediately preceding the date of issue. In future years, eligibility and the number of shares allocated will vary dependant on the Board's determinations at that time.</p>
Issue Price	<p>For the inaugural offer the issue price will be calculated based on the five day VWAP of AS1 Shares immediately preceding the issue date.</p>
Consideration to be paid for shares	<p>Employees will not be required to provide any consideration for shares in the inaugural offer this year. The Share Plan affords the Board a discretion in future years.</p>
Source of shares to be offered	<p>The terms of the Share Plan allow the Company the flexibility to satisfy its obligations under the Share Plan by either buying existing shares on-market on behalf of employees, or by issuing new shares. Until otherwise determined, it is the Board's intention that all obligations under the Share Plan will be satisfied by the issue of new shares.</p>