



Appendix 4D

For the half-year ended

31 December 2017

Appendix 4D

(Rule 4.2A.3)

Angel Seafood Holdings Ltd

ABN 38 615 035 366

For the half-year ended:

31 December 2017

Previous Corresponding Period:

31 December 2016

Results for announcement to the market

	2017	2016	Mvmt	Mvmt
	\$	\$	\$	%
Revenue and Profit				
Revenue from ordinary activities	873,253	385,023	488,230	127%
Net profit from ordinary activities attributable to members	(1,131,557)	(639,495)	(492,062)	-77%
Net profit attributable to members	(1,131,557)	(639,495)	(492,062)	-77%
Profit before depreciation, amortisation, finance costs, acquisition and restructuring related expenses	(821,562)	(456,973)	(364,589)	-80%

Commentary on results for the period

Refer to the accompanying ASX announcement dated 28 Feb 18 for commentary on results.

Dividends

No dividends declared or paid during the period.

Net tangible assets per ordinary share

	2017	2016
	\$	\$
Net tangible assets per ordinary share	0.054	0.028

Note that oyster lease assets are classified as intangible and not included in the calculation of net tangible assets per ordinary share. The value of these assets was \$1,768,959 as at 31 December 2017 and \$1,445,646 as at 31 December 2016. There were 80,702,900 ordinary shares on issue as at 31 December 2017 and 32,428,001 ordinary shares on issue as at 31 December 2016.

Details of entities over which control has been gained

Nil

Information on Audit or Review

Independent Review by Auditor

This report is based on the consolidated financial statements which have been reviewed by William Buck.



Angel Seafood Holdings Ltd & Controlled Entities

Interim Financial Report

For the half-year ended 31 December 2017

Angel Seafood Holdings Ltd & Controlled Entities

Contents

For the half-year ended 31 December 2017

	Page
Financial Statements	
Directors' Report	3
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	19
Independent Audit Report	20

Angel Seafood Holdings Ltd & Controlled Entities

Directors' Report

For the half-year ended 31 December 2017

The directors present their report, together with the financial statements of the Group, being the Company and its controlled entities, for the half-year ended 31 December 2017.

Information on directors

The names of each person who has been a director during the period and to the date of this report are:

Mr Isaac Halman

Mr Michael Porter (stood down as Chairman 21/02/2018, remains as a Director)

Mr James Rogalski (resigned 21/02/2018)

Mr Boris Bosnich (resigned 11/08/2017)

Mr Tim Goldsmith (appointed 21/02/2018, also appointed as Chairman on this date)

Mr Ashley Roff (appointed 21/02/2018)

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Principal activities

The principal activity of the Group during the financial period was oyster farming.

No significant change in the nature of these activities occurred during the period.

Review of operations

The consolidated loss of the Group after income tax amounted to \$(1,131,557). This result was expected and in line with Company budgets.

Angel Seafood Holdings Ltd continued progressing the Company towards an Initial Public Offering (IPO) on the ASX throughout the half year to 31 December 2017. Significant achievements throughout the period included:

- The negotiation, entering into a contract, and payment of deposit to purchase water and associated assets at Cowell in Franklin Harbour on the Eyre Peninsula, South Australia. This was a significant acquisition and one that allowed the Company to establish operations in an extremely reliable area to grow oysters. In a separate agreement with the vendor the Company gained access to this water in November 2017 allowing our spat to benefit from this quality water throughout the summer months. The final acquisition contract settles in July 2018.
- The negotiation and entering into a contract to purchase water and associated assets at Haslam. Haslam will offer the Company an ideal environment to store and stockpile oysters ready for future sale.
- The Company achieved sales revenues of over \$870,000 and fair value adjustment of over \$200,000 through the conduct of its principal activity. Whilst in other concurrent operations the Company issued a prospectus and opened its IPO in preparedness for a listing on the ASX. Embedded in this result are many of the one-off costs associated with preparing the Company for a listing on the ASX.
- Despite being in an environment of limited access to spat the Company still managed to source over \$150,000 worth of juvenile oysters over the period.
- The Company continued to build its team of expert Bay Managers adding two staff at Cowell. Over the period the Company also commissioned new equipment, including a new oyster tender, aimed at increasing our efficiency and ability to handle increased volumes anticipated in the future.

Angel Seafood Holdings Ltd & Controlled Entities

Directors' Report

For the half-year ended 31 December 2017

- The Company continued to improve its lease infrastructure at both Coffin Bay and Cowell. These improvements will allow the leases to operate as close as possible to peak efficiency once the oysters are re-introduced to the bays.
- The successful IPO and subsequent listing on the ASX means that the Directors are of a view that there is no longer an issue regarding the going concern of the Company. In turn, the Auditor has provided an unmodified opinion.
- The Board maintains its outlook, as mentioned in its 30 June 17 full year results, of an improved final result in FY18 when compared to that of FY17.

Subsequent events

The Company completed a successful IPO raising \$8m and commenced trading on the ASX on 21 February 2018. At this time the following changes occurred to the Company's Board:

Mr Tim Goldsmith was appointed as a Director
Mr Ashley Roff was appointed as a Director
Mr James Rogalski resigned as a Director

On 27 February 2018 the Company announced the acquisition of a export packing and cold storage facility in Port Lincoln.

Section 307C of the Corporations Act 2001 requires Angel Seafood Holdings auditors, William Buck, to provide directors with an Independence Declaration in relation to the review of the half-yearly financial report. This Independence Declaration follows and forms part of the Directors report.

Signed in accordance with a resolution of the Board of Directors:



Tim Goldsmith
Non-Executive Chairman

28 February 2018

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001 TO THE DIRECTORS OF ANGEL SEAFOOD HOLDINGS
LTD**

I declare that, to the best of my knowledge and belief during the half-year ended 31 December 2017 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck

ABN: 38 280 203 274

M.D. King

M.D. King

Partner

Dated this 28th day of February, 2018

**CHARTERED ACCOUNTANTS
& ADVISORS**

Level 6, 211 Victoria Square
Adelaide SA 5000

GPO Box 11050
Adelaide SA 5001

Telephone: +61 8 8409 4333
williambuck.com

Angel Seafood Holdings Ltd & Controlled Entities

Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2017

		Half-year ended 31 Dec 2017	Half-year ended 31 Dec 2016
	Note	\$	\$
Revenue	3	873,253	385,023
Other income	4	224,383	18,538
Cost of sales	4	(536,092)	(408,078)
Employee benefits expense	4	(584,820)	(164,448)
Depreciation and amortisation expense	4	(147,949)	(61,931)
Other expenses	4	(742,986)	(242,202)
IPO Expenses		(139,951)	-
Finance costs	4	(22,095)	(120,591)
Loss before income tax		(1,076,257)	(593,689)
Income tax expense		(55,300)	(45,806)
Loss for the period		(1,131,557)	(639,495)
Total comprehensive income for the period		(1,131,557)	(639,495)
Profit attributable to:			
Members of the parent entity		(1,131,557)	(639,495)
Earnings per share (EPS)			
Basic EPS (cents)		(1.40)	(1.97)
Diluted EPS (cents)		(1.31)	(1.97)

Angel Seafood Holdings Ltd & Controlled Entities

Statement of Financial Position

As At 31 December 2017

	Note	As at 31 Dec 2017 \$	As at 30 June 2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		211,815	1,355,649
Trade and other receivables		314,040	145,390
Current tax receivable		713	713
Biological assets	5	827,899	1,019,333
Other assets		363,173	58,882
TOTAL CURRENT ASSETS		1,717,640	2,579,967
NON-CURRENT ASSETS			
Property, plant and equipment		2,561,567	2,163,596
Deferred tax assets		53,924	26,876
Oyster leases		1,768,959	1,752,300
Other intangible assets		17,585	11,146
Other assets		8,652	4,175
TOTAL NON-CURRENT ASSETS		4,410,687	3,958,093
TOTAL ASSETS		6,128,327	6,538,060
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		372,717	355,238
Borrowings	6	1,336,565	625,058
Employee benefits		62,830	47,441
TOTAL CURRENT LIABILITIES		1,772,112	1,027,737
NON-CURRENT LIABILITIES			
Trade and other payables		784,862	787,226
Borrowings	6	226,558	333,418
Deferred tax liabilities		270,573	188,225
TOTAL NON-CURRENT LIABILITIES		1,281,993	1,308,869
TOTAL LIABILITIES		3,054,105	2,336,606
NET ASSETS		3,074,222	4,201,454
EQUITY			
Issued capital	7	6,304,898	6,300,973
Reserves		(431,600)	(432,000)
Retained earnings		(2,799,076)	(1,667,519)
Total equity attributable to equity holders of the Company		3,074,222	4,201,454
TOTAL EQUITY		3,074,222	4,201,454

The accompanying notes form part of these financial statements.

Angel Seafood Holdings Ltd & Controlled Entities

Statement of Changes in Equity

For the half-year ended 31 December 2017

For the half-year ended 31 December 2016

	Ordinary Shares	Retained Earnings	Common Control Reserve	Share Option Reserve	Total
	\$	\$	\$	\$	\$
Balance as at 30 June 2016	-	-	-	-	-
Loss attributable to members of the parent entity	-	(639,495)	-	-	(639,495)
Shares issued during the period	2,983,941	-	-	-	2,983,941
Transaction costs	(47,617)	-	-	-	(47,617)
Balance at 31 December 2016	2,936,324	(639,495)	-	-	2,296,829

For the half-year ended 31 December 2017

	Ordinary Shares	Retained Earnings	Common Control Reserve	Share Option Reserve	Total
	\$	\$	\$	\$	\$
Balance as at 30 June 2017	6,300,973	(1,667,519)	(800,000)	368,000	4,201,454
Loss attributable to members of the parent entity	-	(1,131,557)	-	-	(1,131,557)
Shares issued during the period	20,000	-	-	-	20,000
Transaction costs	(16,075)	-	-	-	(16,075)
Receipt of option issue proceeds	-	-	-	400	400
Balance at 31 December 2017	6,304,898	(2,799,076)	(800,000)	368,400	3,074,222

Angel Seafood Holdings Ltd & Controlled Entities

Statement of Cash Flows

For the half-year ended 31 December 2017

		Half-year ended 31 Dec 2017	Half-year ended 31 Dec 2016
	Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		776,185	226,827
Payments to suppliers and employees		(1,538,114)	(1,623,438)
Interest received		832	1,301
Finance costs		(26,572)	(120,591)
Income taxes paid		-	(573)
Net cash (used in) operating activities		<u>(787,669)</u>	<u>(1,516,474)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for oyster lease		(343,343)	(571,646)
Payment of deposit for Cowell Oyster lease		(306,151)	-
Payment for other intangible assets		(8,391)	(4,500)
Proceeds from disposal of property, plant and equipment		55,688	-
Purchase of property, plant and equipment		(654,462)	(1,401,768)
Net cash (used in) investing activities		<u>(1,256,659)</u>	<u>(1,977,914)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issue of shares		400	2,983,941
Proceeds from borrowings		521,915	-
Proceeds from Convertible Notes	6a	500,000	-
Proceeds from related party loans		-	1,130,403
Repayment of related party loans		(2,364)	-
Repayment of borrowings		(78,647)	-
Proceeds from Finance leases		23,100	-
Repayment of finance leases		(47,835)	-
Payments for capital raising costs		(16,075)	(47,617)
Net cash provided by financing activities		<u>900,494</u>	<u>4,066,727</u>
Net increase/(decrease) in cash and cash equivalents held		(1,143,834)	572,339
Cash and cash equivalents at beginning of the period		<u>1,355,649</u>	<u>0</u>
Cash and cash equivalents at end of the period		<u>211,815</u>	<u>572,339</u>

Angel Seafood Holdings Ltd & Controlled Entities

Notes to the Financial Statements

For the half-year ended 31 December 2017

Summary of Significant Accounting Policies

This half-year financial report covers Angel Seafood Holdings Ltd and its controlled entities ('the Group') as at and for the half-year ended 31 December 2017. Angel Seafood Holdings Ltd is a listed public company incorporated and domiciled in Australia. The company's registered office is at 19 Adelaide Place, Port Lincoln, South Australia.

The half-year financial report does not include notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2017 and any public announcements made by Angel Seafood Holdings Ltd during the half-year reporting period ended 31 December 2017, including the Company's Replacement Prospectus dated 13 December 2017, and until the date of this report in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The annual financial report of the Group as at and for the year ended 30 June 2017 is available upon request.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The financial report was authorised for issue by the Directors on 28 February 2018.

The Company was incorporated on 27 September 2016 and accordingly comparatives in relation to the Statement of Profit or Loss and Other Comprehensive Income and Statement of Cash Flows have been presented from the date of incorporation.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standard AASB 134 "Interim Financial Reporting".

The accounting policies and methods of computation adopted in the preparation of this half-year financial report are consistent with those adopted and disclosed in the Company's 2017 annual financial report for the year ended 30 June 2017, except for the impact of the adopted of the new and revised accounting policies discussed below. These accounting policies are consistent with the Australian Accounting Standards and with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Notes to the Financial Statements

For the half-year ended 31 December 2017

2 Business Combinations

In the previous period, on 9th October 2016, the Group acquired the business of Angel Oysters Australia from the Halman Family Trust. Due to the nature of this transaction this note has again been included for reference.

The Halman Family Trust is controlled by the Company founder and Managing Director, Mr Isaac Halman. Mr Halman's expertise and knowledge of the oyster industry is critical to the ongoing success of the Group. Given his role within the Company and that he held the majority of shares on issue at the time the acquisition took place and for a period of time thereafter, the Directors have treated this business combination as being under common control.

Assets and liabilities acquired from the Halman Family Trust have been measured at their carrying amounts and the excess of consideration over net assets has been recorded in a common control reserve in equity.

The carrying amounts of the identifiable assets and liabilities acquired as at the date of acquisition were:

	Half-year ended 31 Dec 2016 \$
Assets	
Biological assets (Oyster inventory)	1,500,000
Intangible assets	353,240
Land and buildings	106,986
Plant and equipment	995,000
	<u>2,955,226</u>
Liabilities	
Other payables	50,000
Loans	1,705,226
Employee leave provisions	19,812
	<u>1,775,038</u>
Total identifiable net assets at carrying value	<u>1,180,188</u>
Purchase consideration	
Shares issued	1,200,000
Deferred consideration	780,188
	<u>1,980,188</u>
Common control reserve recognised in equity	<u>800,000</u>

Notes to the Financial Statements

For the half-year ended 31 December 2017

2 Business Combinations (continued)

The group issued 15,000,000 shares at \$0.08 each as initial consideration for the purchase of the business. Under the terms of the Business Sale and Purchase Deed an amount of \$800,000, less the employee entitlements assumed, is payable on a Liquidity Event. A Liquidity Event is defined as:

- (a) The achievement of the Revenue Target by any or all of the Company's and its related bodies corporate;
- (b) The merger or consolidation of the Company (or a related body corporate) into another company;
- (c) If a takeover bid is made in respect of the Company (or a related body corporate) and its directors recommend acceptance to shareholders; or
- (d) Any event similar to those described in (b) or (c) involving a change in ownership or control on the Company (or a related body corporate) or all or substantial part of the assets of the Company (or a related body corporate).

The Revenue Target means \$3m in sales revenue during a calendar year commencing 1 January 2018 based on Management Accounts.

Notwithstanding the above, if no Liquidity Event occurs, the Company (or a related body corporate) will pay \$780,188 (being \$800,000 less employee entitlements assumed by the Company) to the vendor on a date reasonably determined by the Board of Directors of the Company.

Deferred consideration has not been discounted as it is expected that it will be paid within the next 2 years and that any impact of discounting would not be material.

Subsequent to the period end and by virtue of Company's Replacement Prospectus and subsequent listing on the ASX this \$800,000 has converted into 4,000,000 performance rights, which vest on any one of the following conditions taking place:

- (a) The achievement of the Milestone Revenue Target of \$3,000,000 for any rolling 12-month period on or before 30 June 2021
- (b) Subject to paragraph (a) and notwithstanding the Milestone has not been satisfied, upon the occurrence of either:
 - a. a takeover bid under Chapter 6 of the Corporations Act 2001 (Cth) having been made in respect of the Company having received acceptances for more than 50% of the Company's Shares on issue and being declared unconditional by the bidder; or
 - b. a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

For full terms and conditions associated with the issue of Performance Rights refer to Section 16.4 of the Replacement Prospectus dated 13 December 2017

Notes to the Financial Statements

For the half-year ended 31 December 2017

3 Revenue and Other Income

Revenue from continuing operations

	Half-year ended 31 Dec 2017	Half-year ended 31 Dec 2016
	\$	\$
Sales revenue		
- sale of biological assets	873,253	385,023
Total Revenue	873,253	385,023

Other Income

- rental income	2,600	-
- interest income	832	1,301
- sundry income	19,592	5,716
- net gain on disposal of property, plant and equipment	-	2,046
- fair value adjustment of biological assets	201,359	9,475
	224,383	18,538

4 Result for the Year

The result for the period was derived after charging the following items:

Finance Costs

- Interest paid on borrowings	22,095	120,591
Total finance costs	22,095	120,591

The result for the year includes the following specific expenses:

Cost of sales	536,092	408,078
Other expenses:		
Accounting fees	54,350	12,752
Employee benefits expense	584,820	164,448
Depreciation of property, plant and equipment	166,183	61,481
Amortisation of intangible assets	2,286	450
Freight and cartage	47,932	21,406
Petrol and oil	40,011	20,285
Repairs and maintenance	73,482	41,663

Notes to the Financial Statements

For the half-year ended 31 December 2017

5 Biological Assets

Oyster Inventory

	Half-year ended 31 Dec 2017	Half-year ended 30 June 2017
	\$	\$
Stock value at the beginning of the period	1,019,333	1,414,685
Additions/purchases	150,178	226,427
Deductions/sales	(542,971)	(1,012,130)
Fair value movements	201,359	390,351
Balance at period end	827,899	1,019,333

6 Borrowings

	31 Dec 2017	30 June 2017
	\$	\$
CURRENT		
Unsecured liabilities:		
Convertible Notes	500,000	-
Vendor finance loans	215,951	449,836
Secured liabilities:		
Lease liability	98,699	96,575
Bank Loans	521,915	78,647
Total current borrowings	1,336,565	625,058
NON-CURRENT		
Unsecured liabilities:		
Vendor finance loans	-	80,000
Secured liabilities:		
Lease liability	226,558	253,418
Total non-current borrowings	226,558	333,418
Total borrowings	1,563,123	958,476

(a) Convertible Notes

The \$500,000 Convertible note was issued prior to the Company listing on an interest free basis for the first six months as a source of short term finance. The note has since been converted to 3,125,000 ordinary shares at 16-cents per share at 20% discount to the IPO prices. The conversion took place on listing with the ASX on 21 February 2018.

Notes to the Financial Statements

For the half-year ended 31 December 2017

7 Issued Capital

	31 Dec 2017	30 June 2017
	\$	\$
80,702,900 (June 2017: 53,701,933) Ordinary shares	7,043,853	7,023,853
Share issue costs	(738,955)	(722,880)
Total	6,304,898	6,300,973

(a) Transaction costs

The Company commenced the process of raising additional capital during the period which was not completed until after balance date. Transaction costs directly associated with the capital raising have been recorded directly in equity as a reduction to issued capital.

(b) Capital Reorganisation

On 31 October 2017 the Company reorganised its capital by way of a 3 for 2 share split. Following the reorganisation there were a total of 80,702,900 ordinary shares on issue.

Reconciliation of Ordinary Shares as at 31 December 2017:

	No.	\$
Ordinary shares on issue at beginning of the period	53,701,933	7,023,853
Ordinary shares issued during the period	100,000	20,000
Shares issued on reorganization (3 for 2)	26,900,967	-
Balance at period end	80,702,900	7,043,853

Notes to the Financial Statements

For the half-year ended 31 December 2017

8 Related Parties

(a) The Group's main related parties are as follows:

The ultimate parent entity, which exercises control over the Group, is Angel Seafood Holdings Ltd which is incorporated in Australia.

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, is considered key management personnel. The key management personnel for the Group are the directors.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties:

						Balance outstanding/ Owed by the company
		Purchases	Salaries	Director Fees	Interest expense	
KMP related parties						
Interacct Business Consulting Pty Ltd	(i)	54,349	-	-	-	12,833
B5 Partners Pty Ltd	(ii)	5,000	-	-	-	-
Directors						
Michael Porter	(iii)	-	-	20,000	-	-
Isaac Halman	(iv)	-	76,650	-	-	-
James Rogalski	(i)	-	-	20,000	-	-
Boris Bosnich	(ii)	-	-	3,333	-	-
Other related parties						
Kady Halman	(v)	-	43,800	-	-	-

(i) James Rogalski is a Director of Interacct Business Consulting Pty Ltd. He provides accounting services and served as a director for the Group.

(ii) Boris Bosnich is a Director of B5 Partners Pty Ltd. Payments made to B5 Partners Pty Ltd were in respect of consulting services provided by him. Boris also served as a director for the Group

(iii) Michael Porter served as a director and received director fees in equity in lieu of cash.

(iv) Isaac Halman is director and is employed in the business under a commercial employment relationship

(v) Kady Halman is the spouse of Isaac Halman and employed in the business under a commercial employment relationship

Notes to the Financial Statements

For the half-year ended 31 December 2017

9 Events Occurring After the Reporting Date

The financial report was authorised for issue on 28 February 2018 by the board of directors.

On 21 February 2018, the company successfully listed on the ASX with the completion of an initial public offering raising \$8m.

The Convertible note issued during the period was also converted to equity on the company's listing date with the issue of 3,125,000 ordinary shares.

On 27 February 2018 the Company announced the conditional contract to purchase an export packing and cool storage facility in Port Lincoln for \$400,000.

No other matters or circumstances have arisen since the end of the financial period which have significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

10 Contractual commitments

During the period, the subsidiary Angel Seafood Infrastructure Pty Ltd entered into contracts for the purchase of additional oyster leases located in Cowell and Haslam. The contracts were finalised during the period but had not yet settled. Full specifics can be found in the Company Replacement Prospectus. In summary:

Cowell - 10 Hectares of fully developed water leases with associated processing facility with associated plant and equipment. Purchase price \$3,000,000 including a deposit of \$306,151 paid during this reporting period.

Haslam - 23 Hectares of water leases including water-based infrastructure with associated processing facility and associated plant and equipment. Purchase price \$900,000 with a \$250,000 deposit due to be paid at settlement on 28 February 2018.

The parent entity did not have any commitments as at 30 June 2017.

11 Fair Value Measurement

The directors and management do not consider that the fair values of the Groups financial assets and liabilities are materially different from their carrying amounts as 31 December 2017.

12 Share and option issues

There were no options, performance shares or performance rights issued during the period. On 21 February 2018 to coincide with the listing on the ASX the following performance shares, performance rights and options were issued to parties related to the IPO:

Performance Shares: 1,500,000

Performance Rights: 4,000,000

Options: 6,000,000

Refer to the Company Replacement Prospectus for full details relating to these issues.

Notes to the Financial Statements

For the half-year ended 31 December 2017

13 Dividends

No dividends have been declared or paid during the period.

14 Segment information

The Groups conducts its operations through a single segment.

15 Statutory Information

The registered office of the company is:

Angel Seafood Holdings Ltd
19 Adelaide Place
Port Lincoln SA 5606

The principal place of business is:

24-26 Nicholson Avenue
Coffin Bay SA 5607

Angel Seafood Holdings Ltd & Controlled Entities

Directors' Declaration

In the opinion of the directors of Angel Seafood Holdings Ltd (the company):

- (a) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable
- (b) in their opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001 and Corporations Regulations 2001, including compliance with Accounting Standards AASB 134 Interim Financial Statements and give a true and fair view of the financial position and performance of the consolidated entity for the half-year ended 31 December 2017.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.



DirectorTim Goldsmith.....



DirectorMichael Porter.....

Dated this28..... day ofFebruary..... 2017

Angel Seafood Holdings Ltd

Independent auditor's review report to members

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Angel Seafood Holdings Ltd (the company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated entity) on pages 6 to 19, which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Angel Seafood Holdings Ltd on pages 6 to 19 is not in accordance with the Corporations Act 2001 including:

- a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 and of its performance for the half year ended on that date; and
- b) complying with Australian Accounting Standard 134 Interim Financial Reporting and the Corporations Regulations 2001.

Responsibilities of the Directors for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including:

- giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 and its performance for the half-year ended on that date; and
- complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

As the auditor of Angel Seafood Holdings Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

CHARTERED ACCOUNTANTS & ADVISORS

Level 6, 211 Victoria Square
Adelaide SA 5000

GPO Box 11050
Adelaide SA 5001

Telephone: +61 8 8409 4333

williambuck.com

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

A handwritten signature in black ink that reads "William Buck". The letters are cursive and slightly slanted to the right.

William Buck

ABN: 38 280 203 274

A handwritten signature in black ink that appears to read "M.D. King". The signature is highly stylized and cursive.

M.D. King

Partner

Adelaide, 28th February 2018