Company Registration No. 13411717 (England and Wales)

Ocean Harvest Technology Group plc
(formerly Ocean Harvest Technology Group Limited)

Annual report and group financial statements for the year ended 31 December 2021

Ocean Harvest Technology Group plc

Company information

Directors	Jason Butler	(Appointed 23 November 2021)
	Graham Ellis	(Appointed 22 November 2021)
	Thomas Onions	(Appointed 22 November 2021)
	Andrei Tretyakov	(Appointed 22 November 2021)
	Stuart Waring	(Appointed 4 November 2021)
	Ashley Head	(Appointed 22 November 2021)
Secretary	Mark Williams	
Company number	13411717	
Registered office	Heaton House Cams Estate Fareham Hampshire PO16 8AA	
Independent auditor	Saffery Champness LLP Midland House 2 Poole Road Bournemouth Dorset BH2 5QY	

Ocean Harvest Technology Group plc

Contents

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities
The principal activity of the company and group is researching and developing seaweed and ancillary products, to develop the further usage of seaweed, to cultivate, collect and process seaweed products and to commercialise this activity. The group has established, and is growing, sales channels for its products, largely to customers in the animal feed sector.

The company was incorporated on 20 May 2021 and has not traded during the period ended 31 December 2021. On 2 March 2022 the company successfully re-registered as a public limited company.

Group restructure
On 31 December 2021, as a result of a share for share exchange transaction with the shareholders of Ocean Harvest Technology Limited, a company incorporated in the Republic of Ireland, the company became the head of the Ocean Harvest Technology group.

Following the principles of merger accounting, the consolidated financial statements have been prepared on the basis that the group always existed, and therefore the consolidated results of the group are presented for the year ended 31 December 2021 and the comparative year.

Results and dividends
The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Jason Butler	(Appointed 23 November 2021)
Graham Ellis	(Appointed 22 November 2021)
Thomas Onions	(Appointed 22 November 2021)
Andrei Tretyakov	(Appointed 22 November 2021)
Stuart Waring	(Appointed 4 November 2021)
Claire Rogers	(Appointed 20 May 2021 and resigned 27 August 2021)
Ashley Head	(Appointed 22 November 2021)
Robert Johnson	(Appointed 27 August 2021 and resigned 4 November 2021)

Auditor
Saffery Champness LLP were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

Going concern

The business is still in its growth phase and the directors understand that the shareholders are supportive of the current strategies being adopted by the company to continue this growth and reach a break-even level of profitability. The directors believe that a fundraising will be required in order for the group to continue its current strategy for a period of 12 months from the date of this report, and have every confidence that these funds will be provided by a selection of the existing shareholders. Whilst every expectation is that these funds will be raised, the directors can provide no certainty of this and therefore highlight that there is a risk that the group may have insufficient liquidity to meet its obligations over the 12 months from the date of this report.

The directors conclude that these conditions indicate the existence of an uncertainty which may cast doubt on the group's and company's ability to continue as a going concern. The financial statements have, however, been prepared on a going concern basis and do not include the adjustments that would result if the group and company were unable to continue as a going concern.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Ashley Head
Director

7 April 2022

Directors' responsibilities statement
For the year ended 31 December 2021

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Ocean Harvest Technology Group plc

Independent auditor's report
To the members of Ocean Harvest Technology Group plc

Opinion
We have audited the financial statements of Ocean Harvest Technology Group plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and of the parent company's affairs as at 31 December 2021 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern
We draw attention to group's loss for the year ended 31 December 2021 €1,351,752, as reported in the group statement of comprehensive income. As stated in Note 1.3 in the financial statements, these events or conditions, along with other matters as set forth in Note 1.3, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the group and parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the group and parent company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent company by discussions with directors and by updating our understanding of the sector in which the group and parent company operates.

Laws and regulations of direct significance in the context of the group and parent company include The Companies Act 2006 and UK Tax legislation. Laws and regulations of significance in the context of the group include company law and tax legislation in the Republic of Ireland and Vietnam.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of group and parent company financial statement disclosures. We reviewed the parent company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

As group auditors, our assessment of matters relating to non-compliance with laws or regulations and fraud differed at group and component level according to their particular circumstances. Our communications included a request to identify instances of non-compliance with laws and regulations and fraud that could give rise to a material misstatement of the group financial statements in addition to our risk assessment.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent company's members those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jamie Lane (Senior Statutory Auditor)
For and on behalf of Saffery Champness LLP

8 April 2022

Chartered Accountants
Statutory Auditors

Midland House
2 Poole Road
Bournemouth
Dorset
BH2 5QY

Ocean Harvest Technology Group plc

Group statement of comprehensive income
For the year ended 31 December 2021

	Notes	2021 €	2020 €
Revenue		2,024,333	1,409,139
Cost of sales		(1,445,747)	(847,439)
Gross profit		578,586	561,700
Administrative expenses		(2,030,609)	(1,749,649)
Other operating income		54,725	-
Operating loss		(1,397,298)	(1,187,949)
Finance costs		(53,533)	(45,110)
Loss before taxation		(1,450,831)	(1,233,059)
Tax on loss	5	46,903	56,095
Loss for the financial year	14	(1,403,928)	(1,176,964)
Other comprehensive income			
Currency translation differences		52,176	(101,459)
Total comprehensive income for the year		(1,351,752)	(1,278,423)

Loss for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

Ocean Harvest Technology Group plc

Group statement of financial position
As at 31 December 2021

			2021		2020
	Notes	**€**	**€**	**€**	**€**
Non-current assets					
Intangible assets	**6**		8,923		8,923
Property, plant and equipment	**7**		124,212		100,349
			133,135		109,272
Current assets					
Inventories		729,868		686,033	
Trade and other receivables	**10**	1,088,581		816,660	
Cash and cash equivalents		1,739,935		210,790	
		3,558,384		1,713,483	
Current liabilities	**11**	(641,513)		(620,147)	
Net current assets			2,916,871		1,093,336
Net assets			3,050,006		1,202,608
Equity					
Called up share capital	**13**		761,448		761,448
Other reserves	**14**		26,932,455		23,733,305
Retained earnings	**14**		(24,643,897)		(23,292,145)
Total equity			3,050,006		1,202,608

These financial statements have been prepared in accordance with the provisions applicable to groups and companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 7 April 2022 and are signed on its behalf by:

Ashley Head
Director

Ocean Harvest Technology Group plc

Company statement of financial position
As at 31 December 2021

	Notes	€	2021 €
Non-current assets			
Investments	8		761,448
Net assets			761,448
Equity			
Called up share capital	13		761,448
Total equity			761,448

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company mas made neither a profit nor a loss for the period.

The financial statements were approved by the board of directors and authorised for issue on 7 April 2022 and are signed on its behalf by:

Ashley Head
Director

Company Registration No. 13411717

Ocean Harvest Technology Group plc

Group statement of changes in equity
For the year ended 31 December 2021

	Share capital €	Merger reserve €	Retained earnings €	Total €
Balance at 1 January 2020	761,448	22,716,261	(22,013,722)	1,463,987
Year ended 31 December 2020:				
Loss for the year	-	-	(1,176,964)	(1,176,964)
Other comprehensive income:				
Currency translation differences	-	-	(101,459)	(101,459)
Total comprehensive income for the year	-	-	(1,278,423)	(1,278,423)
Other movements	-	1,017,044	-	1,017,044
Balance at 31 December 2020	761,448	23,733,305	(23,292,145)	1,202,608
Year ended 31 December 2021:				
Loss for the year	-	-	(1,403,928)	(1,403,928)
Other comprehensive income:				
Currency translation differences	-	-	52,176	52,176
Total comprehensive income for the year	-	-	(1,351,752)	(1,351,752)
Other movements	-	3,199,150	-	3,199,150
Balance at 31 December 2021	761,448	26,932,455	(24,643,897)	3,050,006

Ocean Harvest Technology Group plc

Company statement of changes in equity
For the year ended 31 December 2021

	Notes	Share capital €
Balance at 20 May 2021		-
Period ended 31 December 2021		
Total comprehensive income for the period		-
Issue of share capital	**13**	761,448
Balance at 31 December 2021		761,448

1 Accounting policies

Company information

Ocean Harvest Technology Group plc ("the company") is a public limited company incorporated in England and Wales. The registered office is Heaton House, Cams Estate, Fareham, Hampshire, PO16 8AA.

The group consists of Ocean Harvest Technology Group plc and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in euros which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1 Accounting policies (continued)

1.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Ocean Harvest Technology Group plc together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Group restructure

On 31 December 2021, as a result of a share for share exchange transaction with the shareholders of Ocean Harvest Technology Limited, a company incorporated in the Republic of Ireland, the company became the head of the Ocean Harvest Technology group.

Following the principles of merger accounting, the consolidated financial statements have been prepared on the basis that the group always existed, and therefore the consolidated results of the group are presented for the year ended 31 December 2021 and the comparative year.

1.3 Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the group will continue in operational existence for the foreseeable future. However, the directors are aware of certain material uncertainties which may cause doubt on the group's ability to continue as a going concern.

The business is still in its growth phase and the directors understand that the shareholders are supportive of the current strategies being adopted by the company to continue this growth and reach a break-even level of profitability. The directors believe that a fundraising will be required in order for the group to continue its current strategy for a period of 12 months from the date of this report, and have every confidence that these funds will be provided by a selection of the existing shareholders. Whilst every expectation is that these funds will be raised, the directors can provide no certainty of this and therefore highlight that there is a risk that the group may have insufficient liquidity to meet its obligations over the 12 months from the date of this report.

The directors conclude that these conditions indicate the existence of an uncertainty which may cast doubt on the group's and company's ability to continue as a going concern. The financial statements have, however, been prepared on a going concern basis and do not include the adjustments that would result if the group and company were unable to continue as a going concern.

1 Accounting policies (continued)

1.4 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents	Over the life of the patent

1.7 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

1 Accounting policies (continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the period of the lease
Plant and equipment	15% straight line
Fixtures and fittings	20% reducing balance
Computers	20% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.8 Non-current investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

1 Accounting policies (continued)

1.9 Impairment of non-current assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies (continued)

1.12 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

1 Accounting policies (continued)

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities
Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.13 Equity instruments
Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.14 Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

1 Accounting policies (continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1 Accounting policies (continued)

1.18 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.19 Foreign exchange

Transactions in currencies other than euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Inventory provisions

Inventories are measured at the lower of cost and net realisable value. Assessment of net realisable value requires management to make judgements in connection with future events and outcomes over which there is inherent uncertainty.

Trade receivables provisions

Trade receivables are assessed for indicators of impairment at each reporting date. Assessment of impairment requires management to make judgements in connection with future events and outcomes over which there is inherent uncertainty.

Investments

Management have exercised judgement in connection with accounting for the group reconstruction. Where subsidiaries were acquired during the year as part of the group reconstruction merger accounting relief has been claimed, whereby the company recognises the investment at its nominal value and on consolidation the excess premium of the transaction is recognised through merger reserve.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Property, plant and equipment

Management estimate the useful lives of property, plant and equipment based upon the period over which the assets are expected to be available for use. These estimates are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of assets. Estimates of the useful economic lives of property, plant and equipment are based upon internal technical evaluation and management's experience with similar assets.

3 Auditor's remuneration

	2021	2020
Fees payable to the company's auditor and associates:	€	€
For audit services		
Audit of the financial statements of the group and company	25,950	22,400
Audit of the financial statements of the company's subsidiaries	3,850	3,500
	29,800	25,900
For other services		
All other non-audit services	25,200	6,400

4 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2021 Number	2020 Number	Company 2021 Number
Total	33	33	-

5 Taxation

	2021	2020
	€	€
Current tax		
Research and development tax credits	(46,903)	(56,095)

6 Intangible fixed assets

Group	Other
	€
Cost	
At 1 January 2021	15,423
Other changes	179
At 31 December 2021	15,602
Amortisation and impairment	
At 1 January 2021	6,500
Other changes	179
At 31 December 2021	6,679
Carrying amount	
At 31 December 2021	8,923
At 31 December 2020	8,923

The company had no intangible fixed assets at 31 December 2021.

7 Property, plant and equipment

Group	Land and buildings	Plant and machinery etc	Total
	€	€	€
Cost			
At 1 January 2021	52,980	891,985	944,965
Additions	-	59,634	59,634
Disposals	-	(198)	(198)
Other changes	-	36,837	36,837
At 31 December 2021	52,980	988,258	1,041,238
Depreciation and impairment			
At 1 January 2021	52,980	791,636	844,616
Depreciation charged in the year	-	40,645	40,645
Other changes	-	31,765	31,765
At 31 December 2021	52,980	864,046	917,026
Carrying amount			
At 31 December 2021	-	124,212	124,212
At 31 December 2020	-	100,349	100,349

The company had no property, plant and equipment at 31 December 2021.

8 Fixed asset investments

	Group 2021	2020	Company 2021
	€	€	€
	-	-	761,448

Associate company

The group, via subsidiary company, holds a 40% interest in Ocean Harvest Technology Philippines Inc ("OHT Philippines"), a company registered in the Philippines. The group exerts significant influence over OHT Philippines therefore the investment is accounted for as an equity investment. At 31 December 2021 the net losses attributable to the group exceeded the cost of investment, hence the investment in associate is carried at nil value (2020: nil).

8 Fixed asset investments (continued)

Movements in non-current investments
Company

	Shares in subsidiaries
	€
Cost or valuation	
At 1 January 2021	-
Additions	761,448
At 31 December 2021	761,448
Carrying amount	
At 31 December 2021	761,448
At 31 December 2020	-

On 31 December 2021, the company issued new ordinary shares to the value of €761,448 in a share for share exchange transaction with the shareholders of Ocean Harvest Technology Limited, a company incorporated in the Republic of Ireland.

9 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Ocean Harvest Technology Limited	(i)	Preparation of animal feed	Ordinary	100	-
Ocean Harvest Technology (UK) Limited	(ii)	Preparation of animal feed	Ordinary	-	100
Ocean Harvest Technology Company Limited	(iii)	Preparation of animal feed	Ordinary	-	100

Registered office addresses (all UK unless otherwise indicated):

(i) Registered and domiciled in the Republic of Ireland:
Unit 5, Milltown Business Park, Milltown, Taum, Galway, HS4 D722, Ireland

(ii) Registered in England and Wales, domiciled in the UK:
Heaton House, Cams Estate, Fareham, Hampshire, England, PO16 8AA

(iii) Registered and domiciled in Vietnam:
Factory No.18, Lot CN6, H2 Street, Kim Huy Industrial Park, Thu Dau Mot City, Binh Duong Province, Vietnam

10 Trade and other receivables

	Group 2021	2020	Company 2021
Amounts falling due within one year:	**€**	**€**	**€**
Trade receivables	822,863	603,191	-
Corporation tax recoverable	48,507	57,769	-
Other receivables	217,211	155,700	-
	1,088,581	816,660	-

11 Current liabilities

	Group 2021	2020	Company 2021
	€	**€**	**€**
Trade payables	78,812	74,142	-
Taxation and social security	46,075	69,526	-
Other payables	516,626	476,479	-
	641,513	620,147	-

12 Borrowings

	Group 2021	2020	Company 2021
	€	**€**	**€**
Loans from group undertakings and related parties	414,359	353,447	-
Payable within one year	414,359	353,447	-

The group has received a working capital loan, in connection with certain trade receivables, from a related party, a UK registered company under the control, common control or significant influence of a director of Ocean Harvest Technology Group plc.

The maximum available loan is £450,000 (Pounds Sterling). The loan is secured by a fixed charge over the group's assets.

Amounts drawn down are repayable in the month following receipt of the corresponding trade receivable, and no later than 12 June 2022. Interest is charged at 10% per annum upon amounts drawn down.

13 Share capital

Group and company	2021	2021
Ordinary share capital	**Number**	**€**
Issued and fully paid		
Ordinary shares of 1p each	63,999,613	761,448

The company has a single class of ordinary shares which have attached to them full voting, dividend and capital distribution (including on winding up rights).

Upon incorporation on 20 May 2021 the company issued 1 ordinary share of £1 (Pounds Sterling), which was subsequently cancelled on 31 December 2021.

On 31 December 2021 the company issued 63,999,613 shares of £0.01 each (Pounds Sterling) in exchange for the whole issued share capital of Ocean Harvest Technology Limited, incorporated in the Republic of Ireland.

14 Reserves

Merger reserve
The merger reserve represents non-distributable reserves in connection with the difference arising between the value of shares issued and received during a group reconstruction.

15 Operating lease commitments

Lessee
At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	Group		Company
	2021	2020	2021
	€	€	€
	437,690	177,675	-

16 Related party transactions

The company has claimed the exemption available under section 33 of FRS 102 not to disclose transactions with wholly owned subsidiaries.

Transactions with related parties

During the year the group entered into the following transactions with related parties:

	Purchase of services	
	2021	2020
	€	€
Group		
Entities under common control, joint control or significant influence of a director of the company	6,320	9,000

Administrative coordination services and company secretarial services were provided by a related party during the year. The directors are satisfied that transactions with related parties are at arm's length.

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2021	2020
	€	€
Group		
Entities under common control, joint control or significant influence of a director of the company	414,359	353,447

Other information

Other transactions

During the year a subsidiary company occupied office space in the UK owned by a UK registered company under the control, joint control or significant influence of a director of Ocean Harvest Technology Group Limited. €12,000 rent was charged for this service during the year (2020: €8,000). The market rate rent for this office space was approximately €1,000 per month.

17 Controlling party

In the opinion of the directors there is no ultimate controlling party as defined by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

18 Events after the reporting date

On 2 March 2022 the company successfully re-registered as a public limited company.