



Q1 2022 Quarterly Update Presentation

BARRAMUNDI GROUP LTD
27 MAY 2022



Building an Asia Pacific aquaculture leader

Barramundi Group builds a fully integrated aquaculture leader with a premium product in a high growth market



Platform

A scalable platform established in '05

Raising Barramundi in tropical waters close to growing Asia Pacific markets, with fish from a 17 year selective breeding program, protecting fish health with extensive vaccination.



Operations

Optimising farming operations

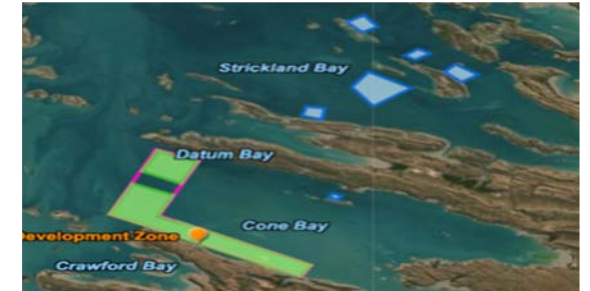
Improving current operation through ensuring optimal fish health, welfare, feeding and growth, reducing operational risks and maximising efficiencies through mechanization and scale



Market

Building a mass market

Marketing Ocean Barramundi as a premium product in selected growth markets, through own brands, growing the market from a base of 1,600 restaurants, hotels, and retailers.



Growth

Securing capacity for growth

Barramundi group is securing capacity to grow from 2,000 tonnes capacity in 2021 to 7,000 tonnes in 2026 and further to a long term target of 75,000 tonnes.

Highlights Q1 2022

- Q1 2022 net revenue of \$8.1m compared to \$9.1m in Q1 2021 following lower harvest tonnage of 506 tonnes in Q1 2022 compared to 543 tonnes in Q1 2021.
- Net profit for Q1 2022 was -\$5.9m.
- Application for 13 new sites submitted in Australia
- \$2m grant request for first stage nursery in Australia approved by the Commonwealth of Australia.
- First trial harvest of fish in Brunei, expanded license of first site and acquired land-based site for nursery ponds.



Q1 2022 Key Financials *(Unaudited)*

- **As of January 2022**, the Company adopted the **full capitalisation method for biological assets**, in line with the reporting by other listed seafood companies. This means that all direct and indirect costs of producing the biomass are being capitalised as opposed to just juvenile and feed costs as was done prior to 2022. As such, prior period financials are not being presented as these are not comparable
- **Q1 2022 net revenue of \$8.1m compared to \$9.1m in Q1 2021** following biomass adjustment which reduced harvest tonnage from 543 tonnes in Q1 2021 to 506 tonnes in Q1 2022.
- **Other expenses** consist of general and admin costs, HQ and costs associated with being a listed company.
- **New sites cost** consists of costs incurred in the application of leases for new sites in Australia.
- The **full capitalization method** results in a **higher cost of biological assets** and will result in a higher cost ex-farm at the time of harvest. As in Q1 2022 **production costs have been higher than the fair value** of the biomass, the negative difference is entered into the P&L.

In SGD thousands	Actual Q1 2022
Net revenue	\$8,092
Cost of goods sold	(\$7,336)
Gross margin	\$756
Sales and marketing expenses	(\$516)
Other expenses	(\$1,280)
Operating EBITDA	(\$1,040)
Depreciation and amortisation cost	(\$524)
Operating EBIT	(\$1,564)
Net finance costs	(\$239)
Operating EBT	(\$1,803)
Taxes	\$5
Operating net profit/(loss)	(\$1,798)
New sites cost	(\$420)
Fair value adjustment on biological assets	(\$3,662)
Net profit/(loss)	(\$5,880)

Q1 2022 Balance Sheet *(Unaudited)*

- Biological assets** reduced by \$1.0m following a decrease in biomass from 2,068 tonnes in Q4 2021 to 1,931 tonnes in Q1 2022.
- Inventories** increased by \$1.1m with Fassler stocking up on raw materials to lock in raw material prices.
- Short term debt** reduced by \$1.2m with repayment of bank borrowings with principal and interest repayments.
- Cash and cash equivalents** decreased by \$8m as we continue to build biomass, capex replacements and repayment of bank borrowings.

(*) Biological assets are valued at fair value.

In SGD thousands	31.3.2022	31.12.2021
Fixed assets	\$26,302	\$25,933
Intangible assets	\$11,034	\$11,175
Deferred tax assets	\$2,088	\$2,091
Biological assets (*)	\$19,468	\$20,468
Inventories	\$4,628	\$3,512
Trade and other receivables	\$7,600	\$7,201
Cash and cash equivalents	\$20,599	\$28,482
Total assets	\$91,720	\$98,862
Shareholders' equity	\$45,734	\$51,526
Deferred capital grants	\$4,953	\$4,985
Deferred tax liabilities	\$3,416	\$3,424
Long term debt	\$22,649	\$22,448
Short term debt	\$5,351	\$6,630
Trade and other payables	\$9,616	\$9,849
Total equity and liabilities	\$91,720	\$98,862

Q1 2022 Cash Flow Statement *(Unaudited)*

Cash flow from operations for Q1 2022 of -\$5,323k compared to Q1 2021 of -\$1,381k mainly due to:

- Lower revenue of \$700k following reduced harvest tonnage from 543 tonnes in Q1 2021 to 506 tonnes in Q1 2022.
- Increase in feed and freight costs of \$600k
- Increase in raw materials costs of \$700k for Fassler and \$1.1m stocking up on containers of raw materials to lock in raw material prices.
- Increase in new sites costs for expansion of Australia lease sites of \$420k.

Cash flow from financing activities in Q1 2021 was the net effect from issue of convertible loans and debt repayment.

In SGD thousands	Q1 2022	Q1 2021
Net cash from operating activities	<u>(\$5,323)</u>	<u>(\$1,381)</u>
Acquisition of property, plant and equipment	<u>(\$1,105)</u>	<u>(\$933)</u>
Net cash from investing activities	<u>(\$1,105)</u>	<u>(\$933)</u>
Share issue expense	\$0	(\$391)
Net borrowings	<u>(\$1,461)</u>	<u>\$8,743</u>
Cash from financing activities	<u>(\$1,461)</u>	<u>\$8,353</u>
Net increase in cash and cash equivalents	(\$7,889)	\$6,039
Effect of foreign exchange rate changes	\$5	(\$386)
Cash and cash equivalents at beginning of the period	<u>\$28,482</u>	<u>\$29,327</u>
Cash and cash equivalents at end of the period	<u>\$20,599</u>	<u>\$34,980</u>

Q1 2022 Key Financials & Highlights- Australia

Contractual volume commitments to Coles, in combination with lower harvest volume, changed the sales mix. With a higher share of retail sales and a lower share of sales to food service, **net selling price** for Q1 2022 is \$9.03 compared to \$9.39 in Q1 2021.

New sites lease application submitted, and **public consultation period ongoing**.

MasterChef Australia and Coles national advertising featuring Cone Bay barramundi, with **new online barramundi recipes launched**.

	Actual Q1 2022	Actual Q1 2021
Net sales (S\$'000)	\$3,413	\$4,643
Net selling price (S\$)	\$9.03	\$9.39
Harvest tonnage (tonnes)	381	463
Biomass end of quarter (tonnes)	1,618	1,619



Q1 2022 Key Financials & Highlights - Singapore

Net sales for Q1 2022 remains relatively similar to Q1 2021 at \$1.2m

With the **uplift of business activities from hotels, and restaurants** following the easing of Covid restrictions, we have regained volume in this segment, however, at a lower selling price.

Airline catering sales experiencing strong uplift as air travel and routes continue to open. **Forecasted sales commitments from key customers to exceed 5x in volumes**, in coming months.

New Aquaculture Support Vessel undergoing sea trials with delivery slated in June, in time to be deployed for new St. John's site cage and mooring deployment.

New Site deployment on track. Mooring, anchor and cage hardware are enroute or already staged in Singapore ready for installation.

Secured S\$5.26 million R&D Grant to develop broodstock programme in Singapore with James Cook University Tropical Futures Institute Limited, Republic Polytechnic and UVAXX Pte. Ltd.

	Actual Q1 2022	Actual Q1 2021
Net sales (S\$'000)	\$1,176	\$1,124
Net Selling Price (S\$)	\$13.19	\$14.00
Harvest tonnage (tonnes)	125	380
Biomass end of quarter (tonnes)	314	597



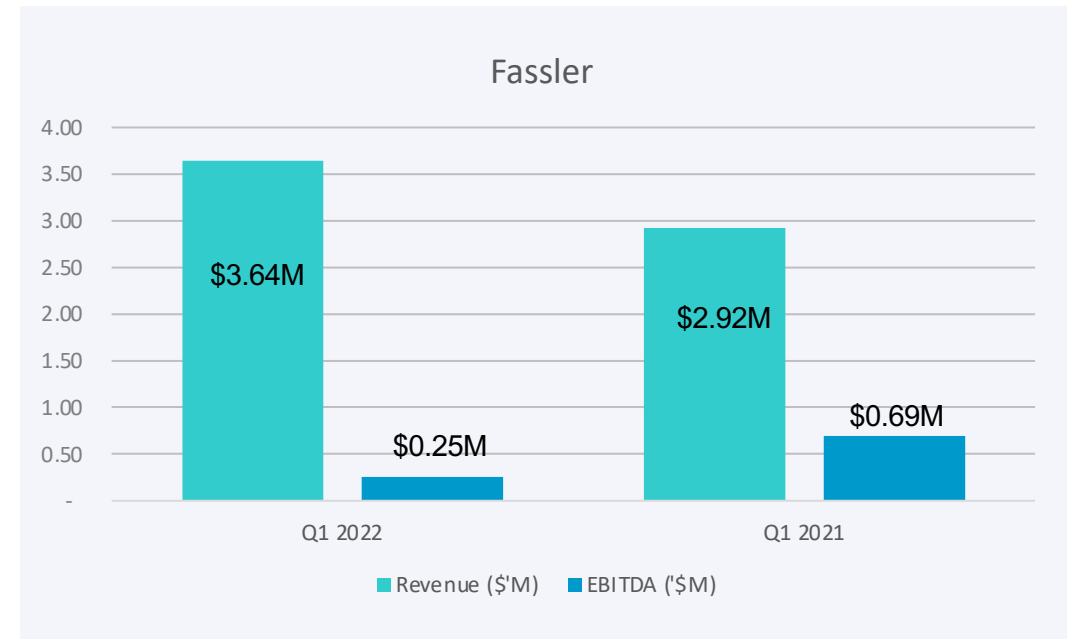
Q1 2022 Operating Highlights – Brunei

- Improvements in biosecurity of water supply at existing land nursery to be finished in June. This will improve survival.
- Pelong sea site license capacity has been doubled.
- Installation & start-up first half of Pelong sea site September 2022.
- Obtained lease for 2nd land-based nursery & pre-growing site with access to fresh water and sea water.
- Request for second sea site, 6 km east of first site, has been submitted.
- Experienced production manager to supervise nursery and sea site operations started in January.
- First trial harvest and processing of 1.5 kg barramundi with local Bruneian processor is ongoing.
- UVAXX Brunei fish health laboratory operational as of July 2022.



Q1 2022 Key Financials & Highlights- Fassler

- **Revenue increased by 25% from \$2.9m to \$3.6m** with more aggressive digital marketing strategy and joint promotions with an online shopping platform since H2 2021.
- **Cost of raw materials** (salmon and other raw materials) have increased significantly and has not yet been fed through to end customers. The impact of increase in raw materials cost **is being mitigated by the combination of bulk procurement and gradual selling price adjustments.**
- **Strong sales following successful introduction** of smoked salmon and soup products into top-tier Brunei supermarket chain Supa Save. Further market and product development planned with senior management in coming months.
- **Space optimisation and new retail area** studies underway at Fassler factory (Singapore) to capitalize on factory sales due to relaxed restrictions.



Outlook



- Barramundi prices are expected to be stable, gradual price increase for other processed fish.
- Harvest volume in 2022 expected to be similar to 2021.
- Expected cost inflation, particularly feed.
- Process for funding of Australian expansion to commence in Q3 2022

Financial Calendar

<i>H1 2022 Results</i>	<i>30 August 2022</i>
<i>Q3 2022 Business update</i>	<i>29 November 2022</i>
<i>H2 2022 Results</i>	<i>28 February 2023</i>
<i>2022 Full year results</i>	<i>28 April 2023</i>



Appendix

Alternative performance measures

Barramundi Group Ltd discloses alternative performance measures as a supplement to the financial statements prepared in accordance with IFRS. Such performance measures are commonly used by analysts, investors and other stakeholders to evaluate the performance of the company and its businesses. The measures are provided to give an enhanced insight into the operations of the company and its businesses.

Operating EBITDA and/or Operational EBITDA is net profit/(loss) before amortization and depreciation expenses, finance costs, provision for income taxes, excluding new sites, one-off non-operational costs and fair value adjustments on biological assets.

Operating EBIT and/or Operational EBIT is net profit/(loss) before finance costs, provision for income taxes, excluding new sites, one-off non-operational costs and fair value adjustments on biological assets.

Operating EBT and/or Operational EBT is net profit/(loss) before provision for income taxes, excluding new sites, one-off non-operational costs and fair value adjustments on biological assets.

Operating net profit/(loss) and/or Operational net profit/(loss) is net profit/(loss) excluding new sites, one-off non-operational costs and fair value adjustments on biological assets.

An aerial photograph of a rocky island in a bay at sunset. The island is covered in green vegetation and has several small buildings and a pier. The water is calm, and the sun is low on the horizon, creating a warm, golden glow. The surrounding cliffs are rugged and covered in greenery.

Thank You.