
INVE USA Holdings, Inc.

Consolidated Financial Report
September 30, 2018

Independent Auditor's Report	1
Consolidated Financial Statements	
Balance Sheet	2
Statement of Operations	3
Statement of Stockholders' Deficit	4
Statement of Cash Flows	5
Notes to Consolidated Financial Statements	6-12



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Independent Auditor's Report

To the Board of Directors
INVE USA Holdings, Inc.

We have audited the accompanying consolidated financial statements of INVE USA Holdings, Inc. (the "Company"), which comprise the consolidated balance sheet as of September 30, 2018 and the related consolidated statements of operations, stockholders' deficit, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of INVE USA Holdings, Inc. as of September 30, 2018 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Plante & Moran, PLLC

September 16, 2020

Consolidated Balance Sheet

September 30, 2018

Assets	
Current Assets	
Cash and cash equivalents (Note 2)	\$ 40,829
Accounts receivable - Net (Note 2)	1,288,473
Inventory (Note 3)	3,783,773
Related party receivable (Note 7)	3,562,803
Other assets	11,719
Total current assets	8,687,597
Property and Equipment - Net (Note 4)	527,647
Harvesting Rights (Note 5)	4,201,675
Investments (Note 6)	4,191,617
Total assets	<u>\$ 17,608,536</u>
Liabilities and Stockholders' Deficit	
Current Liabilities	
Accounts payable	\$ 218,560
Related party payable (Note 7)	6,383,259
Income taxes payable (Note 10)	269,427
Accrued and other current liabilities	155,338
Total current liabilities	7,026,584
Long-term Debt	
Related party note payable (Note 7)	10,400,000
Related party interest payable (Note 7)	1,421,940
Other Long-term Liabilities - Deferred tax liabilities (Note 10)	256,393
Total liabilities	19,104,917
Stockholders' Deficit	
Additional paid-in capital	14,000,000
General members' interest	1,000,000
Accumulated deficit	(16,496,381)
Total stockholders' deficit	(1,496,381)
Total liabilities and stockholders' deficit	<u>\$ 17,608,536</u>

INVE USA Holdings, Inc.**Consolidated Statement of Operations****Year Ended September 30, 2018**

Net Sales	\$ 49,083,486
Cost of Sales	44,121,165
Gross Profit	4,962,321
Operating Expenses	3,583,499
Operating Income	1,378,822
Other Income (Expense)	
Dividend income (Note 6)	991,751
Foreign exchange loss	(7,548)
Interest expense - Related party (Note 7)	(512,420)
Total nonoperating income	471,783
Income - Before income taxes	1,850,605
Income Tax Expense	528,042
Consolidated Net Income	\$ 1,322,563

INVE USA Holdings, Inc.**Consolidated Statement of Stockholders' Deficit****Year Ended September 30, 2018**

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Accumulated Deficit</u>	<u>Total</u>
Balance - October 1, 2017	\$ 1,000,000	\$ 14,000,000	\$ (17,818,944)	\$ (2,818,944)
Net income	-	-	1,322,563	1,322,563
Balance - September 30, 2018	<u>\$ 1,000,000</u>	<u>\$ 14,000,000</u>	<u>\$ (16,496,381)</u>	<u>\$ (1,496,381)</u>

INVE USA Holdings, Inc.**Consolidated Statement of Cash Flows****Year Ended September 30, 2018****Cash Flows from Operating Activities**

Net income	\$ 1,322,563
Adjustments to reconcile net income to net cash and cash equivalents from operating activities:	
Depreciation	112,508
Interest accrued on related party note payable	512,420
Dividends retained by cost-method investee	(71,651)
Changes in operating assets and liabilities that provided (used) cash and cash equivalents:	
Accounts receivable	952,641
Inventory	1,011,072
Other assets	17,556
Accounts payable	(47,149)
Accrued and other liabilities	(48,467)
Related party payable	(220,637)
Deferred tax liabilities	(108,109)
Related party receivable	(3,562,803)
Income taxes payable	216,086
Net cash and cash equivalents provided by operating activities	86,030

Cash Flows from Investing Activities

Purchase of property and equipment	(99,750)
Purchases of investments	(78,560)
Net cash and cash equivalents used in investing activities	(178,310)

Net Decrease in Cash and Cash Equivalents

(92,280)

Cash and Cash Equivalents - Beginning of year

133,109

Cash and Cash Equivalents - End of year\$ 40,829**Supplemental Cash Flow Information - Cash paid for income taxes**\$ 412,922

Notes to Consolidated Financial Statements

September 30, 2018

Note 1 - Nature of Business

INVE USA Holdings, Inc. (the "Company") is an aquacultural biotechnology company that specializes in Artemia, larval fish, larval shrimp, microbiology, immunology, aquatic diseases, and diet processing technology. The Company is a member of the Great Salt Lake Brine Shrimp Cooperative, Inc. (the "Cooperative"), which is an aquacultural cooperative operating on a pool basis and is organized for the purpose of harvesting, processing, manufacturing, and marketing Artemia cysts and Artemia feeds. The Cooperative operates under licenses issued by the Utah State Department of Wildlife Resources to the members of the Cooperative. Annual license and royalty fees are paid to the State of Utah.

The Company is 100 percent owned by INVE Technologies NV, located in Belgium. Both the parent and the Company are part of the Benchmark Holdings PLC reporting unit, which holds 100 percent ownership in both through its 100 percent-owned subsidiaries. Benchmark Holdings PLC has locations in England and Wales.

Note 2 - Significant Accounting Policies**Principles of Consolidation**

The consolidated financial statements include the accounts of the Company and all of its wholly owned subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation.

Entity Name	Ownership Percentage
INVE USA Aquaculture, Inc.	100.00 %
United Aquaculture Technologies, LLC	100.00
Inland Sea Incorporated	100.00
Golden West Artemia	100.00
Sanders Brine Shrimp Company, L.C.	100.00
Salt Creek Holdings, Inc.	100.00
Salt Creek, Inc.	100.00

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all investments with an original maturity of three months or less when purchased to be cash equivalents. The Company maintains its cash in bank deposit accounts at high-quality financial institutions. The balances, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to significant credit risk on cash.

Trade Accounts Receivable

Accounts receivable are stated at net invoice amounts. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal customer payment periods. In addition, a general valuation allowance is established for other accounts receivable based on historical loss experience. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. The allowance for doubtful accounts on accounts receivable balances was \$42,145 as of September 30, 2018.

Notes to Consolidated Financial Statements

September 30, 2018

Note 2 - Significant Accounting Policies (Continued)

Inventory

Inventory is stated at the lower of cost or net realizable value, with cost determined on the first-in, first-out (FIFO) method.

Property and Equipment

Property and equipment are recorded at cost. The straight-line method is used for computing depreciation. Assets are depreciated over their estimated useful lives. Costs of maintenance and repairs are charged to expense when incurred.

Harvesting Rights

Harvesting rights consist of certificates of registration (CORs) acquired from the State of Utah for the right to commercially harvest brine shrimp and brine shrimp eggs, also known as artemia.

Harvesting rights are evaluated for impairment on an annual basis, as they have indefinite lives and are not amortized. The Company looks to the anticipated future cash flows in its analysis. No impairment was recorded as of September 30, 2018.

Investments

Investments in entities in which the Company has less than a 20 percent interest or is not able to exercise significant influence are carried at cost. Dividends received are included in income, except for those dividends received in excess of the Company's proportionate share of accumulated earnings, which are applied as a reduction of the cost of the investment. Impairment losses due to a decline in the value of the investment that is other than temporary are recognized when incurred. No impairment losses were recognized for 2018.

Revenue and Cost Recognition

Revenue is recognized when it is realized or realizable and earned. The Company considers revenue realized or realizable when it has persuasive evidence of an agreement, the product has been delivered, services have been provided to the customer, the sale price is fixed or determinable, and collectibility is reasonably assured.

Concentrations

The Company's artemia cyst business is dependent upon the availability of artemia to harvest, process, and market. For the year ended September 30, 2018, all of the Company's artemia came from the Great Salt Lake in Utah. Weather and other conditions within the Great Salt Lake have a significant effect upon the quantity, quality, and price of the artemia harvest of the Company.

Although the Company purchases through two related parties, those parties are dependent upon one supplier in the Great Salt Lake region for the supply of artemia.

Sales are predominately to companies located in Southeast Asia. The Company extends trade credit to its customers on terms that are generally practiced in the industry. One major customer accounted for approximately 20 percent of accounts receivable as of September 30, 2018. Three major customers accounted for approximately 83 percent of sales as of and for the year ended September 30, 2018.

Shipping and Handling Costs

The Company records shipping and handling costs for the delivery of finished goods in operating expenses in the consolidated statement of operations. Total shipping and handling costs were \$884,845 for the year ended September 30, 2018.

Notes to Consolidated Financial Statements

September 30, 2018

Note 2 - Significant Accounting Policies (Continued)***Upcoming Accounting Pronouncements***

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which will supersede the current revenue recognition requirements in Topic 605, *Revenue Recognition*. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The new guidance will be effective for the Company's year ending September 30, 2021. The ASU permits application of the new revenue recognition guidance using one of two retrospective application methods. The Company has not yet determined which application method it will use. The Company is currently assessing the impact this new standard will have on its financial statements, and it is possible that the pattern of revenue recognition could change upon adoption.

The Financial Accounting Standards Board issued ASU No. 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The ASU requires lessees to recognize a right-to-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of operations. Currently, leases are classified as either capital or operating, with only capital leases recognized on the balance sheet. The reporting of lease-related expenses in the statements of operations and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Company's year ending September 30, 2023 and will be applied using a modified retrospective transition method to either the beginning of the earliest period presented or the beginning of the year of adoption. The Company is still evaluating which method it will apply. The new lease standard is expected to have a significant effect on the Company's financial statements as a result of the Company's operating leases, as disclosed in Note 9, that will be reported on the consolidated balance sheet at adoption. Upon adoption, the Company will recognize a lease liability and corresponding right-to-use asset based on the present value of the minimum lease payments. The effects on the results of operations are not expected to be significant, as recognition and measurement of expenses and cash flows for leases will be substantially the same under the new standard.

Income Taxes

Deferred income tax assets and liabilities are determined using the liability (or balance sheet) method. Under this method, the net deferred tax asset or liability is determined based on the tax effects of the various temporary differences between the book and tax bases of the various balance sheet assets and liabilities and gives current recognition to changes in tax rates and laws. A valuation allowance, if needed, reduces the deferred tax assets to the amount expected to be realized.

In accordance with guidance on accounting for uncertainty in income taxes, management evaluated the Company's tax position and does not believe the Company has any uncertain tax positions that require disclosure or adjustment to the financial statements.

Note 3 - Inventory

Inventory at September 30, 2018 consists of the following:

Work in progress	\$ 1,184,780
Finished goods	1,241,211
Raw materials	<u>1,357,782</u>
Total	<u>\$ 3,783,773</u>

Notes to Consolidated Financial Statements

September 30, 2018

Note 4 - Property and Equipment

Property and equipment are summarized as follows:

	2018	Depreciable Life - Years
Machinery and equipment	\$ 975,833	7-10
Furniture and fixtures	20,410	5-7
Computer equipment and software	11,778	5-6
Total cost	1,008,021	
Accumulated depreciation	480,374	
Net property and equipment	<u>\$ 527,647</u>	

Depreciation expense for 2018 was \$112,508.

Note 5 - Intangible Assets

Intangible assets of the Company at September 30, 2018 are summarized as follows:

Unamortized intangible assets - Harvesting rights	<u>\$ 4,201,675</u>
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Note 6 - Investments

The Company has a cost-method investment in the Great Salt Lake Brine Shrimp Cooperative, Inc. The Company's ownership percentage in the Cooperative amounts to 8 percent, which is based on the number of common shares held by the Company and its 100 percent-owned subsidiaries, relative to the total number of common shares issued by the Cooperative. The Company is not able to exercise significant influence over the Cooperative. The Cooperative has a sales and marketing agreement with an entity related through common ownership to the Company, which establishes two pools of artemia. The first pool is marketed by the Cooperative through its internal sales personnel. The second pool is sold to and marketed by the related entity at established prices. The price will be the pro rata costs to harvest the artemia allocated to the pool. The agreement also requires the related entity to purchase a certain percentage of the artemia from the first pool at prices sold to the market.

Dividend income recognized by the Company is paid partially in cash by the cost-method investee. The remaining dividends are retained by the investee for purposes of capital investment. Retained dividends are allocated as additional equity in the investee to each cooperative member based on the number of certificates of registration held. There is no change in ownership percentage due to the pro rata allocation method among holders of certificates of registration within the State of Utah. The amount of dividend income retained during the year ended September 30, 2018 amounted to \$71,651. Dividend income retained and earned during the year ended September 30, 2018 amounted to \$991,751.

Note 7 - Related Party Transactions

The following is a description of transactions between the Company and related parties:

Accounts Receivable

At September 30, 2018, the Company had accounts receivable from affiliated entities through common ownership totaling \$3,562,803.

Accounts Payable

At September 30, 2018 the Company had accounts payable to affiliated entities through common ownership totaling \$6,383,259.

Notes to Consolidated Financial Statements

September 30, 2018

Note 7 - Related Party Transactions (Continued)*Line of Credit*

The Company has a line of credit agreement with an affiliated entity through common ownership with available borrowings of up to \$10,400,000. The agreement is for an undetermined period of time; however, either party may terminate the agreement at any time without cause. In this case the affiliated entity can demand immediate repayment of all amounts outstanding, including interest. Interest accrues at the one-month London Interbank Offered Rate (LIBOR) plus a credit spread of 2.65 percent, fixed on the first working day of each month (4.38 percent at September 30, 2018). The line of credit is unsecured. The principal and interest balance as of September 30, 2018 was \$11,821,940.

Interest expense for the year ended September 30, 2018 totaled \$512,420.

Sales Commissions

For the year ended September 30, 2018, the Company incurred sales commissions expense to affiliates through common ownership totaling \$156,686.

Management Fees

For the year ended September 30, 2018, the Company incurred expenses related to management fees from affiliates through common ownership of \$37,685.

Sales and Purchases

The Company purchases artemia from entities affiliated through common ownership and direct ownership. The bulk-purchased artemia is processed, packaged, and sold to related entities through common and direct ownership. The following is a summary of transactions and balances with affiliates for 2018:

Sales to related parties	\$	31,746,928
Purchases from related parties		43,811,605

Note 8 - Capital Stock

Common stock consists of 6,000 authorized shares. As of September 30, 2018, there were 6,000 shares issued and outstanding.

Note 9 - Operating Leases

As of September 30, 2018, the Company was obligated under operating leases primarily for warehouse space and equipment, expiring at various dates through July 2021. The leases require the Company to pay taxes, insurance, utilities, and maintenance costs. Total rent expense under these leases was \$227,873 for 2018.

Future minimum annual commitments under these operating leases are as follows:

Years Ending September 30	Amount
2019	\$ 223,339
2020	219,849
2021	168,033
Total	\$ 611,221

Notes to Consolidated Financial Statements

September 30, 2018

Note 10 - Income Taxes

The components of the income tax provision included in the consolidated statement of operations are all attributable to continuing operations and are detailed as follows:

Current income tax expense	\$ 636,151
Deferred income tax recovery	(108,109)
Total income tax expense	<u>\$ 528,042</u>

A reconciliation of the provision for income taxes to income taxes computed by applying the statutory United States federal rate to income before taxes is as follows:

Income tax expense, computed at 21 percent, respectively of pretax income (loss)	\$ 468,758
Effect of nondeductible expenses	1,431
State income tax expense	70,247
Changes to statutory tax rates	(75,145)
Adjustments of prior year estimates and other	62,751
Total provision for income taxes	<u>\$ 528,042</u>

The details of the net deferred tax liability are as follows:

Deferred tax assets:	
Allowance for doubtful accounts	\$ 11,759
Accrued interest	390,828
Other accrued liabilities	40,613
Net operating loss and tax credit carryforward	466,875
Gross deferred tax assets	910,075
Deferred tax liabilities:	
Depreciation	(68,617)
Intangibles amortization	(1,097,851)
Gross deferred tax liabilities	(1,166,468)
Net deferred tax liability	<u>\$ (256,393)</u>

Note 11 - Retirement Plans

The Company provides employees with the INVE Aquaculture, Inc. 401(k) Plan (the "401(k) Plan") covering substantially all employees who have attained age 21 and have completed 12 consecutive months of service, consisting of 1,000 hours during any eligibility computation period. Employees become fully vested in employer matching contributions at the rate of 20 percent each year after two years of vesting service. Under the 401(k) Plan, the Company will match employee contributions up to 100 percent of the first 4 percent of compensation deferred. Additional contributions are at the discretion of employer. Total employer matching contributions to the 401(k) Plan for the year ended September 30, 2018 were approximately \$38,714.

Note 12 - Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including September 16, 2020, which is the date the financial statements were available to be issued.

Notes to Consolidated Financial Statements

September 30, 2018

Note 12 - Subsequent Events (Continued)

On March 11, 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a new coronavirus, known as COVID-19, a pandemic. In response, most U.S. states have implemented measures to combat the outbreak that have impacted U.S. business operations. As of the date of issuance of the financial statements, the Company's sales were impacted due to lower demand from fish hatcheries, which are the source of the Company's product consumption. The Company continues to monitor the situation. No impairments were recorded as of the consolidated balance sheet date, as no triggering events or changes in circumstances had occurred as of year end; however, due to significant uncertainty surrounding the situation, management's judgment regarding this could change in the future. In addition, while the Company's results of operations, cash flows, and financial condition could be impacted, the extent of the impact cannot be reasonably estimated at this time.

On June 21, 2019, Benchmark Holdings, PLC (the "Issuer") issued bonds to bondholders in the amount of \$95,000,000. Effective September 19, 2019, INVE Technologies, NV (the "Pledgor"), which is wholly owned by the Issuer through the Issuer's wholly owned subsidiaries and has a 100 percent ownership interest in INVE USA Holdings, Inc., pledged all of its right, title, and interest in the Company as collateral security for the timely payment and performance in full of the secured bonds. In the event of a default by the Issuer, the Pledgor could be obligated to repay the full amount outstanding on these issuances. Future obligations under this guarantee are payable through 2023. In the event the Pledgor is required to make payments under this guarantee, the Pledgor could seek to recover those amounts from the Issuer; however, the Pledgor does not hold specific recourse or collateral rights in connection with the guarantee.

INVE USA Holdings, Inc.

Consolidated Financial Report
September 30, 2019

Independent Auditor's Report	1
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Independent Auditor's Report

To the Board of Directors
INVE USA Holdings, Inc.

We have audited the accompanying consolidated financial statements of INVE USA Holdings, Inc. (the "Company"), which comprise the consolidated balance sheet as of September 30, 2019 and 2018 and the related consolidated statements of operations, stockholders' deficit, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of INVE USA Holdings, Inc. as of September 30, 2019 and 2018 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Plante & Moran, PLLC

September 16, 2020

Consolidated Balance Sheet

September 30, 2019 and 2018

	2019	2018
Assets		
Current Assets		
Cash and cash equivalents (Note 2)	\$ 283,338	\$ 40,829
Accounts receivable - Net (Note 2)	1,801,075	1,288,473
Inventory (Note 3)	3,472,902	3,783,773
Related party receivable (Note 7)	7,171,480	3,582,803
Other assets	10,573	11,719
Income taxes receivable (Note 10)	98,376	-
Total current assets	12,837,744	8,687,597
Property and Equipment - Net (Note 4)	429,537	527,647
Harvesting Rights (Note 5)	4,201,675	4,201,675
Investments (Note 6)	4,333,231	4,191,617
Total assets	<u>\$ 21,802,187</u>	<u>\$ 17,608,536</u>
Liabilities and Stockholders' Deficit		
Current Liabilities		
Accounts payable	\$ 358,730	\$ 218,560
Related party payable (Note 7)	9,455,729	6,383,259
Income taxes payable (Note 10)	14,765	269,427
Accrued and other current liabilities	136,918	155,338
Total current liabilities	9,966,142	7,026,584
Long-term Debt		
Related party note payable (Note 7)	10,000,000	10,400,000
Related party interest payable (Note 7)	2,023,716	1,421,940
Other Long-term Liabilities - Deferred tax liabilities (Note 10)	174,081	256,393
Total liabilities	22,163,939	19,104,917
Stockholders' Deficit		
Additional paid-in capital	14,000,000	14,000,000
General members' interest	1,000,000	1,000,000
Accumulated deficit	(15,361,752)	(16,496,381)
Total stockholders' deficit	(361,752)	(1,496,381)
Total liabilities and stockholders' deficit	<u>\$ 21,802,187</u>	<u>\$ 17,608,536</u>

INVE USA Holdings, Inc.**Consolidated Statement of Operations****Years Ended September 30, 2019 and 2018**

	2019	2018
Net Sales	\$ 36,554,008	\$ 49,083,486
Cost of Sales	31,047,826	44,121,165
Gross Profit	5,506,182	4,962,321
Operating Expenses	4,264,372	3,583,499
Operating Income	1,241,810	1,378,822
Other Income (Expense)		
Dividend income (Note 6)	925,389	991,751
Loss on disposal of nonoperating asset	(5,634)	-
Foreign exchange loss	(5,292)	(7,548)
Interest expense - Related party (Note 7)	(601,776)	(512,420)
Total nonoperating income	312,687	471,783
Income - Before income taxes	1,554,497	1,850,605
Income Tax Expense	419,868	528,042
Consolidated Net Income	\$ 1,134,629	\$ 1,322,563

See notes to consolidated financial statements.

INVE USA Holdings, Inc.**Consolidated Statement of Stockholders' Deficit****Years Ended September 30, 2019 and 2018**

	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Total
Balance - October 1, 2017	\$ 1,000,000	\$ 14,000,000	\$ (17,818,944)	\$ (2,818,944)
Net income	-	-	1,322,563	1,322,563
Balance - September 30, 2018	1,000,000	14,000,000	(16,496,381)	(1,496,381)
Net income	-	-	1,134,629	1,134,629
Balance - September 30, 2019	<u>\$ 1,000,000</u>	<u>\$ 14,000,000</u>	<u>\$ (15,361,752)</u>	<u>\$ (361,752)</u>

Consolidated Statement of Cash Flows

Years Ended September 30, 2019 and 2018

	2019	2018
Cash Flows from Operating Activities		
Net income	\$ 1,134,629	\$ 1,322,563
Adjustments to reconcile net income to net cash and cash equivalents from operating activities:		
Depreciation	114,572	112,508
Loss on disposal of property and equipment	5,634	-
Interest accrued on related party note payable	601,776	512,420
Dividends retained by cost method investee	(141,614)	(71,651)
Changes in operating assets and liabilities that (used) provided cash and cash equivalents:		
Accounts receivable	(512,602)	952,641
Inventory	310,871	1,011,072
Other assets	1,146	17,556
Income taxes receivable	(98,376)	-
Accounts payable	140,170	(47,149)
Accrued and other liabilities	(18,420)	(48,467)
Related party payable	3,072,470	(220,637)
Deferred tax liabilities	(82,312)	(108,109)
Related party receivable	(3,608,677)	(3,562,803)
Income taxes payable	(254,662)	216,086
Net cash and cash equivalents provided by operating activities	664,605	86,030
Cash Flows from Investing Activities		
Purchase of property and equipment	(22,096)	(99,750)
Purchases of investments	-	(78,560)
Net cash and cash equivalents used in investing activities	(22,096)	(178,310)
Cash Flows Used in Financing Activities - Payments on related party debt	(400,000)	-
Net Increase (Decrease) in Cash	242,509	(92,280)
Cash and Cash Equivalents - Beginning of year	40,829	133,109
Cash and Cash Equivalents - End of year	\$ 283,338	\$ 40,829
Supplemental Cash Flow Information - Cash paid for income taxes	\$ 855,218	\$ 412,922

Notes to Consolidated Financial Statements

September 30, 2019 and 2018

Note 1 - Nature of Business

INVE USA Holdings, Inc. (the "Company") is an aquacultural biotechnology company that specializes in artemia, larval fish, larval shrimp, microbiology, immunology, aquatic diseases, and diet processing technology. The Company is a member of the Great Salt Lake Brine Shrimp Cooperative, Inc. (the "Cooperative"), which is an aquacultural cooperative operating on a pool basis and is organized for the purpose of harvesting, processing, manufacturing, and marketing artemia cysts and artemia feeds. The Cooperative operates under licenses issued by the Utah State Department of Wildlife Resources to the members of the Cooperative. Annual license and royalty fees are paid to the State of Utah.

The Company is 100 percent owned by INVE Technologies NV, located in Belgium. Both the parent and the Company are part of the Benchmark Holdings PLC reporting unit, which holds 100 percent ownership in both through its 100 percent-owned subsidiaries. Benchmark Holdings PLC has locations in England and Wales.

Note 2 - Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and all of its wholly owned subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation.

Entity Name	Ownership Percentage
INVE USA Aquaculture, Inc.	100.00 %
United Aquaculture, Technologies, LLC	100.00
Inland Sea Incorporated	100.00
Golden West Artemia	100.00
Sanders Brine Shrimp Company, L.C.	100.00
Salt Creek Holdings, Inc.	100.00
Salt Creek, Inc.	100.00

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all investments with an original maturity of three months or less when purchased to be cash equivalents. The Company maintains its cash in bank deposit accounts at high-quality financial institutions. The balances, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to significant credit risk on cash.

Trade Accounts Receivable

Accounts receivable are stated at net invoice amounts. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal customer payment periods. In addition, a general valuation allowance is established for other accounts receivable based on historical loss experience. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. The allowance for doubtful accounts on accounts receivable balances was \$25,144 and \$42,145 as of September 30, 2019 and 2018, respectively.

Notes to Consolidated Financial Statements

September 30, 2019 and 2018

Note 2 - Significant Accounting Policies (Continued)

Inventory

Inventory is stated at the lower of cost or net realizable value, with cost determined on the first-in, first-out (FIFO) method.

Property and Equipment

Property and equipment are recorded at cost. The straight-line method is used for computing depreciation. Assets are depreciated over their estimated useful lives. Costs of maintenance and repairs are charged to expense when incurred.

Harvesting Rights

Harvesting rights consist of certificates of registration (CORs) acquired from the State of Utah for the right to commercially harvest brine shrimp and brine shrimp eggs, also known as artemia.

Harvesting rights are evaluated for impairment on an annual basis, as they have indefinite lives and are not amortized. The Company looks to the anticipated future cash flows in its analysis. No impairment was recorded as of September 30, 2019 and 2018.

Investments

Investments in entities in which the Company has less than a 20 percent interest or is not able to exercise significant influence are carried at cost. Dividends received are included in income, except for those dividends received in excess of the Company's proportionate share of accumulated earnings, which are applied as a reduction of the cost of the investment. Impairment losses due to a decline in the value of the investment that is other than temporary are recognized when incurred. No impairment losses were recognized for 2019 or 2018.

Revenue and Cost Recognition

Revenue is recognized when it is realized or realizable and earned. The Company considers revenue realized or realizable when it has persuasive evidence of an agreement, the product has been delivered, services have been provided to the customer, the sale price is fixed or determinable, and collectibility is reasonably assured.

Concentrations

The Company's artemia cyst business is dependent upon the availability of artemia to harvest, process, and market. For the years ended September 30, 2019 and 2018, all of the Company's artemia came from the Great Salt Lake in Utah. Weather and other conditions within the Great Salt Lake have a significant effect upon the quantity, quality, and price of the artemia harvest of the Company.

Although the Company purchases through two related parties, those parties are dependent upon one supplier in the Great Salt Lake region for the supply of artemia.

Sales are predominately to companies located in Southeast Asia. The Company extends trade credit to its customers on terms that are generally practiced in the industry. Two and one major customers accounted for approximately 79 percent and 20 percent of accounts receivable as of September 30, 2019 and 2018, respectively. Two and three major customers accounted for approximately 75 and 83 percent of sales as of and for the years ended September 30, 2019 and 2018, respectively.

Shipping and Handling Costs

The Company records shipping and handling costs for the delivery of finished goods in operating expenses in the consolidated statement of operations. Total shipping and handling costs were \$584,151 and \$884,845 for the years ended September 30, 2019 and 2018, respectively.

Notes to Consolidated Financial Statements

September 30, 2019 and 2018

Note 2 - Significant Accounting Policies (Continued)

Upcoming Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which will supersede the current revenue recognition requirements in Topic 605, *Revenue Recognition*. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The new guidance will be effective for the Company's year ending September 30, 2021. The ASU permits application of the new revenue recognition guidance using one of two retrospective application methods. The Company has not yet determined which application method it will use. The Company is currently assessing the impact this new standard will have on its financial statements, and it is possible that the pattern of revenue recognition could change upon adoption.

The Financial Accounting Standards Board issued ASU No. 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The ASU requires lessees to recognize a right-to-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of operations. Currently, leases are classified as either capital or operating, with only capital leases recognized on the balance sheet. The reporting of lease-related expenses in the statements of operations and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Company's year ending September 30, 2023 and will be applied using a modified retrospective transition method to either the beginning of the earliest period presented or the beginning of the year of adoption. The Company is still evaluating which method it will apply. The new lease standard is expected to have a significant effect on the Company's financial statements as a result of the Company's operating leases, as disclosed in Note 9, that will be reported on the consolidated balance sheet at adoption. Upon adoption, the Company will recognize a lease liability and corresponding right-to-use asset based on the present value of the minimum lease payments. The effects on the results of operations are not expected to be significant, as recognition and measurement of expenses and cash flows for leases will be substantially the same under the new standard.

Income Taxes

Deferred income tax assets and liabilities are determined using the liability (or balance sheet) method. Under this method, the net deferred tax asset or liability is determined based on the tax effects of the various temporary differences between the book and tax bases of the various balance sheet assets and liabilities and gives current recognition to changes in tax rates and laws. A valuation allowance, if needed, reduces the deferred tax assets to the amount expected to be realized.

In accordance with guidance on accounting for uncertainty in income taxes, management evaluated the Company's tax position and does not believe the Company has any uncertain tax positions that require disclosure or adjustment to the financial statements.

Notes to Consolidated Financial Statements

September 30, 2019 and 2018

Note 3 - Inventory

Inventory at September 30, 2019 and 2018 consists of the following:

	2019	2018
Work in progress	\$ 1,623,975	\$ 1,184,780
Finished goods	1,164,362	1,241,211
Raw materials	684,565	1,357,782
Total	<u>\$ 3,472,902</u>	<u>\$ 3,783,773</u>

Note 4 - Property and Equipment

Property and equipment are summarized as follows:

	2019	2018	Depreciable Life - Years
Machinery and equipment	\$ 948,767	\$ 975,833	7-10
Furniture and fixtures	20,410	20,410	5-7
Computer equipment and software	51,152	11,778	5-6
Total cost	1,020,329	1,008,021	
Accumulated depreciation	590,792	480,374	
Net property and equipment	<u>\$ 429,537</u>	<u>\$ 527,647</u>	

Depreciation expense for 2019 and 2018 was \$114,572 and \$112,508, respectively.

Note 5 - Intangible Assets

Intangible assets of the Company at September 30, 2019 and 2018 are summarized as follows:

	2019	2018
Unamortized intangible assets - Harvesting rights	<u>\$ 4,201,675</u>	<u>\$ 4,201,675</u>

Note 6 - Investments

The Company has a cost-method investment in the Great Salt Lake Brine Shrimp Cooperative, Inc. The Company's ownership percentage in the Cooperative amounts to 8 percent, which is based on the number of common shares held by the Company and its 100 percent-owned subsidiaries, relative to the total number of common shares issued by the Cooperative. The Company is not able to exercise significant influence over the Cooperative. The Cooperative has a sales and marketing agreement with an entity related through common ownership to the Company, which establishes two pools of artemia. The first pool is marketed by the Cooperative through its internal sales personnel. The second pool is sold to and marketed by the related entity at established prices. The price will be the pro rata costs to harvest the artemia allocated to the pool. The agreement also requires the related entity to purchase a certain percentage of the artemia from the first pool at prices sold to the market.

Notes to Consolidated Financial Statements

September 30, 2019 and 2018

Note 6 - Investments (Continued)

Dividend income recognized by the Company is paid partially in cash by the cost-method investee. The remaining dividends are retained by the investee for purposes of capital investment. Retained dividends are allocated as additional equity in the investee to each cooperative member based on the number of certificates of registration held. There is no change in ownership percentage due to the pro rata allocation method among holders of certificates of registration within the State of Utah. The amount of dividend income retained during the years ended September 30, 2019 and 2018 amounted to \$141,614 and \$71,651, respectively. Dividend income retained and earned during the years ended September 30, 2019 and 2018 amounted to \$925,389 and \$991,751, respectively.

Note 7 - Related Party Transactions

The following is a description of transactions between the Company and related parties:

Accounts Receivable

At September 30, 2019 and 2018, the Company had accounts receivable from affiliated entities through common ownership totaling \$7,171,480 and \$3,562,803, respectively.

Accounts Payable

At September 30, 2019 and 2018, the Company had accounts payable to affiliated entities through common ownership totaling \$9,455,729 and \$6,383,259, respectively.

Line of Credit

The Company has a line of credit agreement with an affiliated entity through common ownership with available borrowings of up to \$10,400,000. The agreement is for an undetermined period of time; however, either party may terminate the agreement at any time without cause. In this case, the affiliated entity can demand immediate repayment of all amounts outstanding, including interest. Interest accrues at the one-month London Interbank Offered Rate (LIBOR) plus a credit spread of 2.65 percent, fixed on the first working day of each month (4.69 and 4.38 percent at September 30, 2019 and 2018, respectively). The line of credit is unsecured. The principal and interest balance as of September 30, 2019 and 2018 was \$12,023,716 and \$11,821,940, respectively.

Interest expense for the years ended September 30, 2019 and 2018 totaled \$601,776 and \$512,420, respectively.

Sales Commissions

For the years ended September 30, 2019 and 2018, the Company incurred sales commissions expense to affiliates through common ownership totaling \$599,854 and \$156,686, respectively.

Management Fees

For the years ended September 30, 2019 and 2018, the Company incurred expenses related to management fees from affiliates through common ownership of \$30,053 and \$37,685, respectively.

Notes to Consolidated Financial Statements

September 30, 2019 and 2018

Note 7 - Related Party Transactions (Continued)**Guarantee**

Pursuant to the bond terms dated June 21, 2019 by and between Benchmark Holdings, PLC (the "Issuer") and Security Agent, the Issuer issued bonds to bondholders in the amount of \$95,000,000. Effective September 19, 2019, INVE Technologies, NV (the "Pledgor"), which is wholly owned by the Issuer through the Issuer's wholly owned subsidiaries and has a 100 percent ownership interest in INVE USA Holdings, Inc., pledged all of its right, title, and interest in the Company as collateral security for the timely payment and performance in full of the secured bonds. In the event of a default by the Issuer, the Pledgor could be obligated to repay the full amount outstanding on these issuances. As of September 30, 2019, the maximum potential future obligations under this guarantee totaled \$75,864,000 and are payable through 2023. In the event the Pledgor is required to make payments under this guarantee, the Pledgor could seek to recover those amounts from the Issuer; however, the Pledgor does not hold specific recourse or collateral rights in connection with the guarantee. As of September 30, 2019, the Pledgor is unaware of any circumstances that would require performance under this guarantee.

Sales and Purchases

The Company purchases artemia from entities affiliated through common ownership and direct ownership. The bulk-purchased artemia is processed, packaged, and sold to related entities through common and direct ownership. The following is a summary of transactions and balances with affiliates for 2019 and 2018:

	2019	2018
Sales to related parties	\$ 24,351,313	\$ 31,746,928
Purchases from related parties	29,640,091	43,811,605

Note 8 - Capital Stock

Common stock consists of 6,000 authorized shares. As of September 30, 2019 and 2018, there were 6,000 shares issued and outstanding.

Note 9 - Operating Leases

As of September 30, 2019 and 2018, the Company was obligated under operating leases primarily for warehouse space and equipment, expiring at various dates through December 2022 and July 2021, respectively. The leases require the Company to pay taxes, insurance, utilities, and maintenance costs. Total rent expense under these leases was \$229,578 and \$227,873 for 2019 and 2018, respectively.

Future minimum annual commitments under these operating leases are as follows:

Years Ending September 30	Amount
2020	\$ 230,014
2021	179,233
2022	9,696
2023	1,035
Total	<u>\$ 419,978</u>

Notes to Consolidated Financial Statements

September 30, 2019 and 2018

Note 10 - Income Taxes

The components of the income tax provision included in the consolidated statement of operations are all attributable to continuing operations and are detailed as follows:

	2019	2018
Current income tax expense	\$ 502,179	\$ 636,151
Deferred income tax recovery	(82,311)	(108,109)
Total income tax expense	<u>\$ 419,868</u>	<u>\$ 528,042</u>

A reconciliation of the provision for income taxes to income taxes computed by applying the statutory United States federal rate to income before taxes is as follows:

	2019	2018
Income tax expense, computed at 25.33 and 21 percent, respectively, of pretax income (loss)	\$ 326,444	\$ 468,758
Effect of nondeductible expenses	1,286	1,431
State income tax expense	70,619	70,247
Changes to statutory tax rates	(25,375)	(75,145)
Adjustments of prior year estimates and other	46,894	62,751
Total provision for income taxes	<u>\$ 419,868</u>	<u>\$ 528,042</u>

The details of the net deferred tax liability are as follows:

	2019	2018
Deferred tax assets:		
Allowance for doubtful accounts	\$ 6,263	\$ 11,759
Accrued interest	484,543	390,828
Other accrued liabilities	21,835	40,613
Net operating loss and tax credit carryforward	331,587	466,875
Gross deferred tax assets	844,228	910,075
Deferred tax liabilities:		
Depreciation	(46,356)	(68,617)
Intangibles amortization	(971,953)	(1,097,851)
Gross deferred tax liabilities	(1,018,309)	(1,166,468)
Net deferred tax liability	<u>\$ (174,081)</u>	<u>\$ (256,393)</u>

Note 11 - Retirement Plans

The Company provides employees with the INVE Aquaculture, Inc. 401(k) Plan (the "401(k) Plan") covering substantially all employees who have attained age 21 and have completed 12 consecutive months of service, consisting of 1,000 hours during any eligibility computation period. Employees become fully vested in employer matching contributions at the rate of 20 percent each year after two years of vesting service. Under the 401(k) Plan, the Company will match employee contributions up to 100 percent of the first 4 percent of compensation deferred. Additional contributions are at the discretion of employer. Total employer matching contributions to the 401(k) Plan for the years ended September 30, 2019 and 2018 were approximately \$47,389 and \$38,714, respectively.

Notes to Consolidated Financial Statements

September 30, 2019 and 2018

Note 12 - Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including September 16, 2020, which is the date the financial statements were available to be issued.

On March 11, 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a new coronavirus, known as COVID-19, a pandemic. In response, most U.S. states have implemented measures to combat the outbreak that have impacted U.S. business operations. As of the date of issuance of the financial statements, the Company's sales were impacted due to lower demand from fish hatcheries, which are the source of the Company's product consumption. The Company continues to monitor the situation. No impairments were recorded as of the consolidated balance sheet date, as no triggering events or changes in circumstances had occurred as of year end; however, due to significant uncertainty surrounding the situation, management's judgment regarding this could change in the future. In addition, while the Company's results of operations, cash flows, and financial condition could be impacted, the extent of the impact cannot be reasonably estimated at this time.

INVE USA Holdings, Inc.

Consolidated Financial Report
September 30, 2020

Accountant's Compilation Report	1
Consolidated Financial Statements	
Balance Sheet	2
Statement of Operations	3
Statement of Stockholders' Equity (Deficit)	4
Statement of Cash Flows	5



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Accountant's Compilation Report

To the Board of Directors
INVE USA Holdings, Inc.

Management is responsible for the accompanying consolidated financial statements of INVE USA Holdings, Inc. (the "Company"), which comprise the consolidated balance sheet as of September 30, 2020 and 2019 and the related consolidated statements of operations, stockholders' equity (deficit), and cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the consolidated financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these consolidated financial statements.

Plante & Moran, PLLC

January 20, 2021

Consolidated Balance Sheet

September 30, 2020 and 2019

	2020	2019
Assets		
Current Assets		
Cash and cash equivalents	\$ 593,234	\$ 283,338
Accounts receivable - Net	755,046	1,801,075
Inventory	5,292,875	3,472,902
Related party receivable	1,438,090	7,171,480
Other assets	21,146	10,573
Income taxes receivable	-	98,376
Total current assets	8,100,391	12,837,744
Property and Equipment - Net	734,902	429,537
Harvesting Rights	4,201,675	4,201,675
Investments	4,816,001	4,333,231
Total assets	<u>\$ 17,852,969</u>	<u>\$ 21,802,187</u>
Liabilities and Stockholders' Equity (Deficit)		
Current Liabilities		
Accounts payable	\$ 298,419	\$ 358,730
Related party payable	2,887,814	9,455,729
Income tax payable	186,142	14,765
Deferred revenue	1,739,328	-
Accrued and other current liabilities	66,455	136,918
Total current liabilities	5,178,158	9,966,142
Long-term Debt		
Related party note payable	10,000,000	10,000,000
Related party interest payable	2,337,135	2,023,716
Other Long-term Liabilities - Deferred tax liabilities	182,751	174,081
Total liabilities	17,698,044	22,163,939
Stockholders' Equity (Deficit)		
Additional paid-in capital	14,000,000	14,000,000
General members' interest	1,000,000	1,000,000
Accumulated deficit	(14,845,075)	(15,361,752)
Total stockholders' equity (deficit)	154,925	(361,752)
Total liabilities and stockholders' equity (deficit)	<u>\$ 17,852,969</u>	<u>\$ 21,802,187</u>

Consolidated Statement of Operations

Years Ended September 30, 2020 and 2019

	2020	2019
Net Sales	\$ 31,016,810	\$ 36,554,008
Cost of Sales	<u>26,409,165</u>	<u>31,047,826</u>
Gross Profit	4,607,445	5,506,182
Operating Expenses	<u>4,846,981</u>	<u>4,264,372</u>
Operating (Loss) Income	(239,536)	1,241,810
Other Income (Expense)		
Dividend income	1,285,604	925,389
Loss on disposal of nonoperating asset	-	(5,634)
Foreign exchange loss	(17,000)	(5,292)
Interest expense	(4,160)	-
Interest expense - Related party	<u>(313,419)</u>	<u>(601,776)</u>
Total nonoperating income	<u>951,025</u>	<u>312,687</u>
Income - Before income taxes	711,489	1,554,497
Income Tax Expense	<u>194,812</u>	<u>419,868</u>
Consolidated Net Income	<u><u>\$ 516,677</u></u>	<u><u>\$ 1,134,629</u></u>

INVE USA Holdings, Inc.**Consolidated Statement of Stockholders' Equity (Deficit)****Years Ended September 30, 2020 and 2019**

	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Total
Balance - October 1, 2018	\$ 1,000,000	\$ 14,000,000	\$ (16,496,381)	\$ (1,496,381)
Net income	-	-	1,134,629	1,134,629
Balance - September 30, 2019	1,000,000	14,000,000	(15,361,752)	(361,752)
Net income	-	-	516,677	516,677
Balance - September 30, 2020	<u>\$ 1,000,000</u>	<u>\$ 14,000,000</u>	<u>\$ (14,845,075)</u>	<u>\$ 154,925</u>

See accountant's compilation report.

INVE USA Holdings, Inc.**Consolidated Statement of Cash Flows****Years Ended September 30, 2020 and 2019**

	2020	2019
Cash Flows from Operating Activities		
Net income	\$ 516,677	\$ 1,134,629
Adjustments to reconcile net income to net cash and cash equivalents from operating activities:		
Depreciation	114,527	114,572
Loss on disposal of property and equipment	-	5,834
Interest accrued on related party note payable	313,419	601,776
Dividends retained by cost method investee	(482,770)	(141,614)
Changes in operating assets and liabilities that provided (used) cash and cash equivalents:		
Accounts receivable	1,046,029	(512,602)
Inventory	(1,819,973)	310,871
Other assets	(10,573)	1,146
Income taxes receivable	98,376	(98,376)
Accounts payable	(60,311)	140,170
Accrued and other liabilities	(70,463)	(18,420)
Related party payable	(6,567,915)	3,072,470
Deferred tax liabilities	8,670	(82,312)
Related party receivable	5,733,390	(3,608,677)
Income taxes payable	171,377	(254,662)
Deferred revenue	1,739,328	-
Net cash and cash equivalents provided by operating activities	729,788	664,605
Cash Flows Used in Investing Activities - Purchase of property and equipment	(419,892)	(22,096)
Cash Flows Used in Financing Activities - Payments on related party debt	-	(400,000)
Net Increase in Cash and Cash Equivalents	309,896	242,509
Cash and Cash Equivalents - Beginning of year	283,338	40,829
Cash and Cash Equivalents - End of year	<u>\$ 593,234</u>	<u>\$ 283,338</u>
Supplemental Cash Flow Information - Cash paid for income taxes	\$ 349,613	\$ 855,218

BENCHMARK CHILE S.p.A.

Financial statements

December 31, 2018

CONTENTS

Independent auditor's report
Statement of financial position
Statement of income by function
Statement of comprehensive income
Statement of changes in equity
Statement of cash flows – direct method
Notes to the financial statements

US\$ - United States dollars
ThUS\$ - Thousands of United States dollars





INDEPENDENT AUDITOR'S REPORT

Puerto Montt, November 29, 2019

To the Shareholders and Directors
Benchmark Chile S.p.A.

We have audited the accompanying financial statements of Benchmark Chile S.p.A., which comprise the statements of financial position as of December 31, 2018 and 2017 and the income statements, comprehensive income, changes in equity and cash flows for the year at December 31, 2018 and the period between November 8 and December 31, 2017 and the related notes to the financial statements.

Management Responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes the design, implementation and maintenance of a relevant internal control for the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Consequently, we do not express such an opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Puerto Montt, November 29, 2019
Benchmark Chile S.p.A.

2

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Benchmark Chile S.p.A. as of December 31, 2018 and 2017, the results of operations and cash flows for year ended at December 31, 2018 and the period from November 8 to December 31, 2017, in accordance with International Financial Reporting Standards.

A handwritten signature in black ink, appearing to read "Carlos Cuevas C.", with a colon ":" to its right.

Carlos Cuevas C.

A handwritten signature in black ink that reads "PRICE WATERHOUSE COOPERS".

PRICE WATERHOUSE COOPERS

A single horizontal line drawn in black ink.

TABLE OF CONTENTS

	<u>Notes</u>	<u>Page</u>
	Statement of financial position	-
	Statement of income by function	-
	Statement of comprehensive income	-
	Statement of changes in equity	-
	Statement of cash flows – direct method	-
1	Information on the entity	1
2	Summary of significant accounting policies	3
	2.1 Basis of preparation	3
	2.2 New accounting pronouncements	3
	2.3 Segment reporting	6
	2.4 Transactions in foreign currency and indexation units	6
	2.5 Cash and cash equivalents	6
	2.6 Financial instruments	6
	2.7 Investment in associates and joint venture	8
	2.8 Current and deferred income tax	8
	2.9 Finance cost	8
	2.10 Impairment of non-financial assets	8
	2.11 Contingent liabilities and provisions	8
	2.12 Share capital	9
	2.13 Dividends	9
	2.14 Environment	9
3	Critical accounting estimates and judgements	9
4	Financial risk management	9
5	Cash and cash equivalents	10
6	Financial Instruments	11
7	Significant balances and transactions with related parties	11
8	Investment account of using the equity method	13
9	Current income and deferred tax	13
10	Trade and other payables	14
11	Equity	14
12	Finance Income	15
13	Finance Expense	15
14	Contingencies, commitments and guarantees	15
15	Environment	15
16	Events after the reporting period	15

BENCHMARK CHILE S.p.A.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2018 AND 2017

	Note	12/31/2018 ThUS\$	12/31/2017 ThUS\$
Assets			
Current assets			
Cash and cash equivalents	5	110	-
Other non-financial assets, current		2	-
Trade and other receivables, current		1	-
Accounts receivable from related companies, current	7	182	-
Total current assets		295	-
Non-current assets			
Accounts receivable from related companies, non-current	7	5.400	-
Investments accounted for using the equity method	8	19.371	-
Deferred tax assets	9	172	-
Total non-current assets		24.943	-
Total assets		25.238	-

The accompanying notes N° 1 to 16 form an integral part of these financial statements.

BENCHMARK CHILE S.p.A.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2018 AND 2017

Liabilities and equity	Note	12/31/2018	12/31/2017
Liabilities		ThUS\$	ThUS\$
Current liabilities			
Trade and other payables, non current	10	2.003	-
Related party payables, current	7	141	-
Total current liabilities		2.144	-
Current liabilities			
Related party payables, non current	7	17.288	-
Total non-current liabilities		17.288	-
Total liabilities		19.432	-
Equity			
Issued capital	11	8.250	-
Retained earnings	11	(2.444)	-
Total equity		5.806	-
Total liabilities and equity		25.238	-

The accompanying notes N° 1 to 16 form an integral part of these financial statements.

BENCHMARK CHILE S.p.A.

STATEMENT OF INCOME BY FUNCTION

FOR THE YEAR ENDED ON DECEMBER 31, 2018 AND THE PERIOD BETWEEN NOVEMBER 8 AND

DECEMBER 31, 2017

	Note	12/31/2018 ThUS\$	11/08/2017 to 12/31/2017 ThUS\$
Revenues		-	-
Cost of sales		-	-
Gross profit		-	-
Finance income	12	182	-
Finance expense	13	(419)	-
Share of profit (loss) of associates and joint venture accounted for using equity method.	8	(2.379)	-
Other expenses		1	-
Exchange rate differences		(1)	-
Net income/loss before tax		(2.616)	-
Income tax expense	9	172	-
Loss from continuing operations		(2.444)	-
Profit from discontinued operations		-	-
Loss for the year / period		(2.444)	-

The accompanying notes N° 1 to 16 form an integral part of these financial statements.

BENCHMARK CHILE S.p.A.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED ON DECEMBER 31, 2018 AND THE PERIOD BETWEEN NOVEMBER 8 AND
DECEMBER 31, 2017

	12/31/2018	11/08/2017 to 12/31/2017
	ThUS\$	ThUS\$
Loss for the year / period	(2.444)	-
Total comprehensive loss	(2.444)	-

The accompanying notes N° 1 to 16 form an integral part of these financial statements.

BENCHMARK CHILE S.p.A.

STATEMENT OF CHANGES IN NET EQUITY

FOR THE YEAR ENDED ON DECEMBER 31, 2018 AND THE PERIOD BETWEEN NOVEMBER 8 AND

DECEMBER 31, 2017

	Issued capital ThUS\$	Retained earnings ThUS\$	Total equity ThUS\$
Opening balance as of January 1, 2018	-	-	-
<u>Changes in equity:</u>			
Paid capital	8.250	-	8.250
Loss for the year	-	(2.444)	(2.444)
Total changes in equity	8.250	(2.444)	5.806
Closing balance as of December 31, 2018	8.250	(2.444)	5.806

	Issued capital ThUS\$	Retained earnings ThUS\$	Total equity ThUS\$
Opening balance as of November 8, 2017	-	-	-
<u>Changes in equity:</u>			
Net profit (loss) for the period	-	-	-
Total changes in equity	-	-	-
Closing balance as of December 31, 2017	-	-	-

The accompanying notes N° 1 to 16 form an integral part of these financial statements.

BENCHMARK CHILE S.p.A.

STATEMENT OF CASH FLOWS – DIRECT METHOD

FOR THE YEAR ENDED ON DECEMBER 31, 2018 AND THE PERIOD BETWEEN NOVEMBER 8 AND

DECEMBER 31, 2017

	12/31/2018	11/08/2017 to
	ThUS\$	12/31/2017
		ThUS\$
Cash flows from (used in) operating activities		
Net cash flows from (used in) financing activities	-	-
Cash flows from (used in) investing activities		
Cash flows used in acquisition of shares in joint venture	(14.250)	-
Loans to related entities	(5.400)	-
Net cash flows used in investing activities	(19.650)	-
Cash flows from (used in) financing activities		
Loans from related parties	11.788	-
Payments receipts to issues shares	8.250	-
Interest paid	(279)	-
Net cash flows from financing activities	19.759	-
Net increase in cash and cash equivalents		
Effects of exchange rate changes on cash and cash equivalents	1	-
Net increase in cash and cash equivalents	110	-
Cash and cash equivalent at beginning of period	-	-
Cash and cash equivalents at end of period	110	-

The accompanying notes N° 1 to 16 form an integral part of these financial statements.

BENCHMARK CHILE S.p.A.

NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2018 AND 2017

NOTE 1 – INFORMATION ON THE ENTITY

Benchmark Chile SpA is a company that was originally established as Benchmark Genetics Chile SpA by public deed dated November 8, 2017, granted in the Second Notary Square of Santiago by Mr. Alvaro González Salinas. On June 14, 2018, and by means of a public deed granted in the Second Notary Square of Santiago by Mr. Alvaro González Salinas, the corporate name is modified, becoming Benchmark Chile SpA, which remains to date.

On June 22, 2018, the company signs a binding agreement with the Aquachile Group for its entry into the shareholding of Salmones Chaicas S.A, which is now called Benchmark Genetics Chile S.A. Under the transaction, Benchmark Chile SpA acquires 49% of the shareholding of Salmones Chaicas SA, through the purchase of shares owned by Empresas Aquachile SA and its subsidiary Aquachile SA, whose value amounted to US \$ 16.25 million, and the subscription of a capital increase of the company for US \$ 5.5 million.

The Company is domiciled at Santiago, without prejudice to the agencies, offices or branches that may be established both in the country and abroad. The Company's life is indefinite.

These financial statements of Benchmark Chile S.p.A comprise the statement of financial position, the statement of income by function, the statement of comprehensive income, the statement of cash flows – direct method, the statement of changes in equity and the notes to the financial statements with disclosures to said financial statements.

The financial statements show the faithful image of the equity and financial position as of December 31, 2018 and 2017, as well as of the results of operations, changes in equity and cash flows that have occurred in the Company for the period ended as of December 31, 2018 and 2017

The financial statements of Benchmark Chile S.p.A, were prepared on the basis of the principle of a going concern.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are shown below.

2.1 Basis of preparation

These financial statements as of December 31, 2018 have been prepared in accordance with the International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board (IASB).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The financial statements have been prepared under the historic cost approach.

As of the date of these financial statements there are no material uncertainties regarding any event or condition that might raise significant doubts about the likelihood continues operating normally as a going concern.

2.2 New accounting pronouncements

- a) Standards, interpretations and amendments mandatory for the first time for fiscal years starting on January 1, 2018.

Standards and interpretations

IFRS 9 “Financial Instruments” – Issued in July 2014. IASB has published the complete version of IFRS 9, which replaces the application guidelines of IAS 39. This final version includes requirements related to the classification and measurement of financial assets and liabilities and a model of expected credit loss that replaces the current model of impairment loss incurred. The part related to hedge accounting included in this final version of IFRS 9 was already published in November 2013.

IFRS 15 “Revenue from Contracts with Customers” – Issued in May 2014. It establishes the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with customers. The core principle of IFRS 15 is that an entity will recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Its application replaces IAS 11 Construction contracts; IAS 18 Revenue; IFRIC 13 Customer Loyalty Programmes; IFRIC 15 Agreements for the Construction of Real Estate; IFRIC 18 Transfers of Assets from Customers; and SIC-31 Revenue - Barter Transactions Involving Advertising Services.

IFRIC 22 “Transactions in Foreign Currency and Advanced Considerations”. Issued in December 2016. This interpretation applies to a transaction in foreign currency (or part of it) when an entity recognizes a non-financial asset or liability arising from the payment or collection of an advanced consideration before the entity recognizes the related asset, expense or income (or the portion of these as appropriate). The interpretation provides guidance for when a single payment / receipt is made, as well as for situations in which multiple payments / receipts are made. Its purpose is to reduce diversity in practice.

Amendments and improvements

Amendment to IFRS 2 “*Share-based payments*”. Issued in June 2016. The amendment clarifies the measurements of share-based payments settled in cash and the accounting for modifications changing those payments to settlement with equity instruments. In addition, it introduces an exception to the principles of IFRS 2 that will require the treatment of premiums as if everything were settlement as an equity instrument, when the employer is obliged to withhold the tax related to share-based payments.

Amendment to IFRS 15 “*Revenue from Contracts with Customers*” Issued in April 2016. The amendment introduces clarifications to the guidance for identification of performance obligations in contracts with customers, accounting for copyrights and evaluation of principal versus agent (gross versus net income presentation). It includes new and modified illustrative examples as guidance, as well as practical examples related to the transition to the new income standard.

Amendment to IFRS 4 “*Insurance Contracts*”, regarding the application of IFRS 9 “*Financial Instruments*”. Issued in September 2016. The amendment introduces two approaches: (1) Overlapping approach, which gives all companies issuing insurance contracts the option to recognize in other comprehensive income, instead of profit / loss, the volatility that may arise when IFRS 9 is applied before the new insurance contract standard, and (2) temporary exemption of IFRS 9, which allows companies whose activities are mostly relating to insurance to optionally apply a temporary exemption to IFRS 9 until 2021, continuing with the application of IAS 39 up to then.

Amendment to IAS 40 “*Investment Properties*”, in relation to transfers of investment properties. Issued in December 2016. The amendment clarifies that, in transferring to, or from, investment properties, there must be a change in use. To conclude if the use of a property has changed, there must be an evaluation (supported by evidence) about whether the property meets the definition.

Amendment to IFRS 1 “*First-time adoption of IFRS*”, relating to the suspension of the short-term exceptions for first-time adopters with regard to IFRS 7, IAS 19 and IFRS 10. Issued in December 2016.

Amendment to IAS 28 “*Investments in Associates and Joint Ventures*”, in relation to the measurement of the associate or joint venture at fair value. Issued in December 2016.

The adoption of the standards, amendments and interpretations described above does not have a significant impact on the financial statements of the Company.

Standards and interpretations	Mandatory for years starting on
IFRS 16 “ <i>Leases</i> ” – Issued in January 2016, it established the principle of recognition, measurement, presentation and disclosure of leases. IFRS 16 replaces the current IAS 17 and introduces a single lease accounting model. It also requires a lessee to recognize assets and liabilities for all lease contracts with terms over 12 months, unless the value of the underlying assets is low. IFRS 16 is effective for annual periods that begin on or after January 1, 2019, early adoption is permitted for entities that apply IFRS 15 or before the first-adoption date of IFRS 16.	01/01/2019
IFRS 17 “ <i>Insurance Contracts</i> ”. Issued in May 2017, replaces the current IFRS 4. IFRS 17 shall change accounting mainly for all entities issuing insurance and investment contracts with discretionary participation characteristics. The standard is applied for annual periods starting on or after 1 January 2021 and early application is permitted provided that IFRS 15 “ <i>Revenue from contracts with customers</i> ” and IFRS 9 “ <i>Financial instruments</i> ” are applied.	01/01/2021
IFRIC 23 “ <i>Uncertainty over income tax treatments</i> ” Issued in June 2016. This interpretation clarifies how the recognition and measurement requirements of IAS 12 apply when there is uncertainty about the tax treatment.	01/01/2019
Amendment to IFRS 9 “ <i>Financial instruments</i> ”. Issued in October 2017. The amendment allows more assets to be measured at amortized cost than in the previous version of IFRS 9, in particular some prepaid financial assets with negative offsetting. Qualifying assets, which include certain loans and debt securities, would otherwise have been measured at fair value through profit or	01/01/2019

loss (FVTPL). To qualify for amortized cost, negative compensation must be "reasonable compensation for early termination of the contract".

Amendment to IAS 28 "Investments in Associates and Joint Ventures". Issued in October 2017. This amendment clarifies that companies that account for long-term interests in an associate or joint venture in which the equity method is not applied - using IFRS 9. The Board has published an example illustrating how companies apply the requirements of IFRS 9 and IAS 28 to long-term interests in an associate or joint venture.	01/01/2019
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Amendment to IFRS 3 "Business combinations" Issued in December 2017. The amendment would clarify that obtaining control of a company that is a joint venture is a business combination that is achieved in stages. The acquirer must re-measure its previously held interest in the joint venture at fair value at the acquisition date.	01/01/2019
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Amendment to IFRS 11 "Joint Arrangements" Issued in December 2017. The amendment would clarify that the party obtaining joint control of a company which is a joint venture should not re-measure its previously held interest in the joint venture.	01/01/2019
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Amendment to IAS 12 "Income tax" Issued in December 2017. The amendment clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognized in accordance with where past transactions or events that generated distributable income were recognized.	01/01/2019
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Amendment to IAS 23 "Borrowing Costs" Issued in December 2017. The amendment clarified that, if a specific loan remains outstanding after the qualifying asset is ready for its intended use or sale, it becomes part of the general loans.	01/01/2019
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Amendment to IAS 19 "Employee Benefits" Issued in February 2018. The amendment requires entities to use updated assumptions to determine the current service cost and net interest for the rest of the period after a plan modification, reduction, or liquidation; and to recognize in profit or loss as part of the past service cost, or a gain or loss in liquidation, any reduction in a surplus, even if that surplus was not previously recognized because it did not exceed the asset's maximum limit.	01/01/2019
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Amendments to IAS 1 "Presentation of financial statements" and IAS 8 "Accounting policies, changes in accounting estimates and errors" Published in October 2018. Use a consistent definition of materiality in all IFRS and the Financial Information Framework; clarifies the explanation of the definition of material; and incorporate some of the guidance in IAS 1 on intangible information.	01/01/2020
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Amendment to IFRS 3 "Definition of a business" Published in October 2018. Review the definition of a business. According to the feedback received by the IASB, the application of the current guide is often thought to be too complex, resulting in too many transactions that qualify as business combinations.	01/01/2020
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Amendment to IFRS 10 "Consolidated financial statements" and IAS 28 "Investments in Associates and Joint Ventures" Issued in September 2014. The amendment addresses an inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a	Not specified
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business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

Management believes that adopting these standards, amendments and interpretations will have no significant impact on the Company's financial statements when they are first applied.

2.3 Segment reporting

Segment information is presented consistent with the internal reports provided to the persons responsible for making relevant operating decisions.

The processing and marketing of salmon products has been defined as single segment.

2.4 Transactions in foreign currencies and indexation units

a) Functional and presentation currency

The Company uses the United States dollar (USD or US\$) as its functional and presentation currency for its financial statements. The functional currency has been determined considering the economic environment in which the Company operates and the currency in which the main cash flows are generated, and the currency in which the funds from financing activities are generated (bank obligations and equity).

b) Transactions and balances

Transactions in foreign currencies and indexation units are recorded at the exchange rate of the respective currency or indexation unit as of the date on which the transaction meets the requirements for initial recognition. At each closing balance sheet, monetary assets and liabilities denominated in foreign currencies and indexation units are translated at the prevailing exchange rate of the respective currency or indexation unit. Exchange differences originated both from the settlement of operations in foreign currency and the valuation of monetary assets and liabilities in foreign currency are included as exchange differences in the income for the year, while differences originates by the changes in the indexation unit are recorded as Indexation units results.

The exchange rates for the principal foreign currencies and indexation units used in these financial statements as of December 31, 2018 and 2017, are the following:

	12/31/2018	12/31/2017
	\$	\$
United States dollar	694.77	614.75

2.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances, time deposits in financial entities, investments in mutual funds, the financial instruments acquired under repurchase agreements, as well as all highly liquid short-term investments with original maturity of three months or less.

2.6 Financial instruments

Financial assets

Financial assets within the scope of IFRS 9 are classified according to the business model used by the Company to manage its financial instruments and contractually established cash flows.

The Company measures its financial assets at amortized cost and/or fair value through profit or loss or equity as appropriate.

Financial instruments are initially measured at fair value plus (in the case of investments not at fair value through profit or loss) directly attributable transaction costs.

The entity determine the classification of their financial assets after initial recognition and, when permitted and appropriate, reassess this designation at the end of each financial year. All regular purchases and sales of financial assets are recognized on the date of sale, which is the date on which the Company commits to purchase the asset. Regular purchases and sales are purchases or sales of financial assets that require the delivery of assets within the period generally established by market regulation or convention. The classifications of investments used are as follows:

- Financial assets at fair value through profit or loss - Assets at fair value through profit or loss include financial assets held for sale and financial assets designated on initial recognition as at fair value through profit or loss.
- Financial assets are classified as held for sale if they are acquired for the purpose of selling them in the short term.
- Derivatives, including separate embedded derivatives (if any), are also classified as held for trading unless they are designated as effective hedging instruments or as financial guarantee contracts. Gains or losses on instruments held for sale are recognized in profit or loss.
- Financial assets measured at amortized cost – The entity measures assets at amortized cost when such asset meets the following two conditions: i. The financial asset is held within a business model whose objective is to hold the financial assets to obtain the contractual cash flows and ii. The contractual terms of the financial asset give rise, on specified dates, to cash flows that are only payments of principal and interest on the outstanding principal amount.
- Financial asset at fair value with changes in other comprehensive income - A financial asset is measured at fair value with changes in other comprehensive income if both of the following conditions are met: i) the financial asset is maintained within a business model whose objective is achieved by obtaining contractual cash flows and selling financial assets and ii) The contractual terms of the financial asset give rise, on specified dates, to cash flows that are only payments of principal and interest on the outstanding principal amount.
- Derivative financial instruments and hedges - If derivative financial instruments exist to hedge risks related to fluctuations in interest rates and foreign exchange rates, these are initially recognized at fair value at the date on which the derivative contract is entered into and are subsequently measured at fair value. Derivatives are recorded as assets (other financial assets) when the fair value is positive and as liabilities (other financial liabilities) when the fair value is negative.

Financial liabilities

Debt and equity instruments are classified either as financial liabilities or as equity based on the substance of the contractual arrangement.

Equity instruments – An equity instrument is any agreement that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recorded at the amount of the consideration received, net of direct issue costs.

Financial liabilities - Financial liabilities are classified either as financial liabilities at "fair value through profit or loss" or as "other financial liabilities".

- a) Financial liabilities are classified at their fair value through profit or loss when they are held for trading or are designated at fair value through profit or loss.

- b) Other financial liabilities, including loans, are valued initially at the amount of cash received, net of transaction costs. Other financial liabilities are subsequently measured at the amortized cost using the effective interest rate, and interest expense is recognized based on the effective rate.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments over the expected life of the financial liability or, where appropriate, any shorter period when the related liability contains a prepayment option that management believes will be exercised.

2.7 Investment in associates and Joint Venture

Associates or Joint Venture are all those companies over which Benchmark Chile SpA has significant influence but not control over financial and operation policies. Investments in associates are accounted for upon generation or purchase at cost and are adjusted subsequently, according to the equity method. The investment in associates includes the goodwill identified in the acquisition, net of any accumulated impairment loss.

2.8 Current and deferred income tax

Deferred income tax is determined using tax rates contained in laws that have been enacted or substantially enacted in each operating country by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred taxes arising from the initial recognition of an asset or liability in a transaction other than a business combination that does not affect the accounting result or the tax base at the time of recognition are not recognized.

Deferred tax assets are recorded when it is deemed probable the entity will obtain sufficient future taxable profit or there are deferred tax liabilities in amounts sufficient to offset them.

The Company does not have deferred taxes on temporary differences.

2.9 Finance cost

If applicable, finance costs incurred for the construction of any qualifying asset must be capitalized during the time period necessary to complete and prepare the asset for the intended use. Other finance costs, other than the abovementioned, are recorded in the income statement.

During the periods comprised in these financial statements, no interest capitalizations were performed, given that there are no constructions of qualifying assets.

2.10 Impairment of non-financial assets

The Company assesses annually whether there is evidence of impaired non-current assets. If so, the Company estimates the recoverable amount of the impaired asset. If it is not possible to estimate the recoverable amount of impaired assets individually, the recoverable amount of the cash-generating unit the asset belongs to is estimated.

2.11 Contingent liabilities and provisions

Provisions are recognized when: (i) the Company has a present obligation, either legal or constructive, as a result of past events; (ii) it is probable that an outflow of resources will be required to settle the obligation and (iii) the amount has been estimated reliably. The amounts recognized as provision are the

Management's best estimate as of the closing date of the financial statements, as well as the disbursements necessary to settle the obligation.

2.12 Share capital

The share capital is represented by ordinary shares.

2.13 Dividends

The company administrator may annually capitalize profits not distributed as dividends, for the purpose of financing the ordinary management of the company or for specific purposes that previously determine two thirds of the issued shares.

Dividends will be paid exclusively from the net profits of the year or withheld from balances approved by the general meeting of shareholders. However, if the company has accumulated losses, the profits for the year will be used primarily to absorb them and if a balance sheet results in losses, these will be with retained earnings that exist.

2.14 Environment

In general, the disbursements relating to the improvement of productive processes for the environmental care and protection are accounted for as expense in the period in which they are incurred.

NOTE 3 – CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to make estimates and use assumptions that affect the amounts included in these financial statements and related notes. The estimates and assumptions used by the Company are based on the Management's historic experience. However, the final result might deferred from the estimates under certain conditions. The significant accounting estimates and policies are defined as those which are important to properly reflect the Company's financial position and income and/or which require a high degree of judgment by Management.

The significant estimate made by the administration corresponds to the evaluation of the investment in associates impairment.

NOTE 4 – FINANCIAL RISK MANAGEMENT

The Company believes that a balanced behavior between opportunities and risks is an important factor in a system of sustainable management oriented to value. This philosophy is demonstrated when taking advantageous measures which are useful to protect and improve the Company's competence.

The purpose of risk management is to detect existing risks early and consistently, assess them and provide a relevant decision along with information over the risk. The risk assessment is based on a short, medium and long-term frame.

The main financial risk detected are:

I. Credit risk

- a) Risk of investments of cash surpluses: The quality of the financial institutions Benchmark Chile SpA operates with and the type of financial products in which said investments take place defines a low risk policy for the Company.
- b) Risk of the sales operations: Benchmark Chile SpA performs sales operations with letters of credit, through advance payments or with customers with an excellent credit performance under the CAD (Cash against documents) incoterm or documents release against payment received of the goods.

II. Liquidity risk

The liquidity risk arises from the likelihood of mismatch between the need of funds (relating to operating and financial expenses, investments in assets, debt maturities and committed dividends) and the sources (proceeds from redemption of marketable securities or financial investments, collection of customer accounts, and the financing with financial entities). The Company has a prudent liquidity risk management policy by maintaining sufficient cash and marketable securities and seeking to maintain the due availability of funds in banks.

III. Market risk

- a) Foreign exchange risk: The exchange rates can affect the performance of Benchmark Chile S.pA, since a part of its costs (labor and other services such as overland transport) are indexed to the Chilean peso, and its sales are chiefly denominated in foreign currencies, such as the United States dollar and, to a lesser extent, in peso. Furthermore, given that the Company reports its balance sheets in dollars, changes in the strength of the dollar against the rest of the currencies in which the Company operates can have negative or positive effects on its financial results. In general, the policy with regard to financial liabilities, is to keep them matched with the sales income in United States dollars.
- b) Interest rate risk: The fluctuation in the interest rates modifies the future cash flows of the assets and liabilities indexed to a variable interest rate.

Benchmark Chile SpA has exposure to the interest rate risk because its financing is composed of a rate that varies according Libor rate. A follow-up up is usually made of the terms and conditions of these loans and the convenience of taking out interest rate insurance is assessed which, according to the market conditions, can be carried out when deemed convenient.

NOTE 5 – CASH AND CASH EQUIVALENTS

As of December 31, 2018 and 2017, this item is detailed as follows:

	12/31/2018 ThUS\$	12/31/2017 ThUS\$
Class of cash and cash equivalents		
Balances in the Chilean ITAU bank	110	-
Total cash and cash equivalents	110	-
	12/31/2018 ThUS\$	12/31/2017 ThUS\$
Cash and cash equivalents by type of currency		
Itaú bank (US\$)	100	-
Fix term deposit (Ch\$)	10	-
Total cash and cash equivalents	110	-

There are no legal restrictions over cash and cash equivalents.

NOTE 6 – FINANCIAL INSTRUMENTS

Financial instruments by category

As of December 31, 2018	Financial assets measured at amortized cost ThUS\$	Financial assets at fair value through other comprehensive income. ThUS\$	Assets at fair value through profit or loss ThUS\$	Total ThUS\$
Cash and cash equivalents	100	-	10	110
Trade and other receivables	1	-	1	1
Total	101	-	11	111

As of December 31, 2018	Liabilities at fair value through profit or loss ThUS\$	Other financial liabilities ThUS\$	Total ThUS\$
Trade and other payables	-	2.003	2.003
Total	-	2.003	2.003

As of December 31, 2017, the company does not present balances of financial instruments.

NOTE 7 – SIGNIFICANT BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties correspond to customary operations as to their purpose. These are performed under market conditions in which concerns price and payment. There are no estimates of doubtful accounts which rebate balances receivable, nor are there related guarantees.

a) Accounts receivable from related companies, current.

Company	Tax No.	Country of origin	Relationship	Currency	12/31/2018 ThUS\$	12/31/2017 ThUS\$
Benchmark Genetics Chile S.A.	76.125.666-1	Chile	Associated	Dollar	182	-
Total					182	-

b) Accounts receivable from related companies, non-current

Company	Tax No.	Country of origin	Relationship	Currency	12/31/2018 ThUS\$	12/31/2017 ThUS\$
Benchmark Genetics Chile S.A	76.125.666-1	Chile	Associated	Dollar	5.400	-
Total					5.400	-

c) Related party payables, current:

Company	Tax No.	Country of origin	Relationship	Currency	12/31/2018 ThUS\$	12/31/2017 ThUS\$
Benchmark Limited	-	UK	Shareholder	Dollar	141	-
Total					141	-

d) Related party payables, non-current:

Company	Tax No.	Country of origin	Relationship	Currency	12/31/2018 ThUS\$	12/31/2017 ThUS\$
Benchmark Limited		UK	Shareholder	Dollar	11.788	-
Benchmark Genetics Chile S.A.	76.125.666-1	Chile	Associated	Dollar	5.500	-
Total					17.288	-

e) Relevant transactions with related parties:

Company	Transaction	Currency	12/31/2018	
			Amount ThUS\$	Effect on income ThUS\$
Benchmark Limited	Accrued interest credit	Dollar	182	182
Benchmark Genetics Chile S.A.	Loan	Dollar	5.400	-
Benchmark Limited	Interest	Dollar	(141)	(141)
Benchmark Limited	Loan	Dollar	(11.778)	-
Total			6.347	41

NOTE 8 – INVESTMENT ACCOUNT OF USING THE EQUITY METHOD

As of December 31, 2018 and 2017 the Company has

b) Investment

	12/31/2018	12/31/2017
	ThUS\$	ThUS\$
Benchmark Genetics Chile S.A (49%)	3.689	-
Goodwill	18.060	
Sub total	21.750	-
Recognition of the proportional result	(2.379)	
Total	19.371	

During 2018, the company acquired 49,00% of Salmenes Chaicas S.A. shares (currently Benchmark Genetics Chile S.A.), from Empresas Aquachile S.A. from this transaction, the company maintains joint control of this company with Empresas Aqua Chile S.A.

NOTE 9 – CURRENT INCOME TAX AND DEFERRED TAXES

Deferred taxes represent the amount of taxes over profit that Benchmark Chile SpA will have to pay (liabilities) or receive (assets) in future years, related to temporary differences between the tax base and the accounting amount in books of certain assets and liabilities.

For the Company, the main deferred tax asset are the tax losses, receivable in future years

a) Deferred tax assets and liabilities are detailed as follows:

	12/31/2018		12/31/2017	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Tax loss	172	-	-	-
Total	172	-	-	-

b) The movement of deferred tax assets is as follows:

	12/31/2018	12/31/2017
	ThUS\$	ThUS\$
Opening balance	-	-
Tax loss	172	-
Closing balance	172	-

c) Income tax effect on income is as follows:

	12/31/2018	12/31/2017
	ThUS\$	ThUS\$
Effect of deferred tax	172	-
Total	172	-

The reconciliation between the income tax expense using the statutory rate and the tax expense is as follows:

	12/31/2018	12/31/2017
	ThUS\$	ThUS\$
Income tax expense using the statutory rate	706	-
Other	(534)	-
Expense	172	-

NOTE 10 – TRADE AND OTHER PAYABLES

Trade and other payables correspond to domestic suppliers and other liabilities detailed below:

	12/31/2018	12/31/2017
	ThUS\$	ThUS\$
Payable documents	2.003	-
Total	2.003	-

NOTE 11 – EQUITY

a) Capital

As of December 31, 2018, capital amounts to US\$ 13.751.576, consisting of 8.703.532 shares, subscribed. Capital paid as of December 2018 is an amount of US\$ 8.250.000. The company has issued only ordinary, one-series shares, which have the same voting rights.

Series	Capital subscribed ThUS\$	Capital Paid ThUS\$
Capital	13.752	8.250
Total	13.752	8.250

The main goal when managing the shareholders' capital is to keep an investment without risk, forecasting a budgeted profitability.

b) Shareholding structure

The shareholding structure as of December 31, 2018, is as follows:

	%	Number shares
Benchmark Genetics Limited	100%	8.703.532
Total	100%	8.703.532

NOTE 12 – FINANCE INCOME

Finance income	12/31/2018 ThUS\$	12/31/2017 ThUS\$
Loan to Benchmark Genetics Chile S.A	182	-
Total	182	-

NOTE 13 – FINANCE EXPENSE

Finance expense	12/31/2018 ThUS\$	12/31/2017 ThUS\$
Loan from Benchmark Limited	(418)	-
Bank commissions and expenses	(1)	-
Total	(419)	-

NOTE 14 – CONTINGENCIES, COMMITMENTS AND GUARANTEES

During the period, the company had no contingencies, commitments and guarantees to reveal.

NOTE 15 – ENVIRONMENT

No investments have been made regarding this item during the period.

NOTE 16 – EVENTS AFTER THE REPORTING PERIOD

On June 7, 2019, Empresas Aquachile SA and Benchmark Chile SpA and their related companies signed an agreement under which, the parties agreed to put terms to terminate held in June 2018 between the two companies for the exploitation of the joint venture Benchmark Genetics Chile SA As a result of the foregoing, the Aquachile group acquired all of the shares of Benchmark Genetics Chile S.A., becoming the owner of 100% of the shares and thereby being its sole shareholder. The payment associated with this transaction considers cash and the transfer of fixed and biological assets, among them, everything associated with the Fresh water facility Ensenada, located in the sector of the same name, and that Empresas Aquachile transfers part of the payment next to the nucleus (groups of fish) from Stofnfiskur origin. With these assets, respectively valued in ThUS\$ 6.074, Benchmark Chile SpA will continue to operate in Chile, expanding its operation to Freshwater Aquaculture and Genetic Services. As of June 2019, the company begins the productive operation and changes its parent company to the city of Puerto Varas.

No other events have occurred between the January 1, 2019 and the date on which these financial statements have been issued that might have a significant effect on their balances or interpretations.

BENCHMARK CHILE S.p.A.

Financial statements

December 31, 2019

CONTENTS

Independent auditor's report
Statements of financial position
Statements of income
Statements of comprehensive income
Statements of changes in equity
Statements of cash flows
Notes to the financial statements

US\$ - United States dollars
ThUS\$ - Thousands of United States dollars





INDEPENDENT AUDITOR'S REPORT

Puerto Montt, August 18, 2020

To the Shareholders and Directors
Benchmark Chile SpA

We have audited the accompanying financial statements of Benchmark Chile SpA, which comprise the statements of financial position as of December 31, 2019 and 2018 and the corresponding statements of income, the statements of comprehensive income, the changes in equity and cash flows for the years then ended, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes the design, implementation and maintenance of a relevant internal control for the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Chilean generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Consequently, we do not express such an opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Puerto Montt, August 18, 2020
Benchmark Chile SpA
2

Opinion

In our opinion, the financial statements present fairly, in all material aspects, the financial position of Benchmark Chile SpA as of December 31, 2019 and 2018 and the results of their operations and cash flows for the years then ended, in accordance with International Financial Reporting Standards.

A handwritten signature in black ink, appearing to read "CR Cuevas Cáceres", with a long horizontal line extending to the right.

A handwritten signature in black ink, appearing to read "PRICE WATERHOUSE COOPERS", with a long horizontal line extending to the right.

Digitally signed by Carlos Roberto Cuevas Cáceres RUT: 9.105.693-3. The digital certificate is embedded in the electronic version of this document.

BENCHMARK CHILE SpA.

TABLE OF CONTENTS

<u>Notes</u>	<u>Page</u>
Statements of financial position	-
Statements of income	-
Statements of comprehensive income	-
Statements of changes in equity	-
Statements of cash flows	-
1 Information on the entity	1
2 Summary of significant accounting policies	2
3 Critical accounting estimates and judgements	9
4 Financial risk management	10
5 Cash and cash equivalents	11
6 Trade and other receivables	12
7 Significant balances and transactions with related parties	13
8 Investment account of using the equity method	14
9 Properties, Plant and Equipment	14
10 Intangible assets	17
11 Biological Assets	17
12 Current income and deferred tax	18
13 Trade and other payables	19
14 Equity	19
15 Finance Income	19
16 Finance Expense	19
17 Other Incomes	20
18 Contingencies, commitments and guarantees	20
19 Environment	20
20 Events after the reporting period	20

BENCHMARK CHILE SpA

STATEMENTS OF FINANCIAL POSITION

AS OF DECEMBER 31, 2019 AND 2018

	Note	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Assets			
Current assets			
Cash and cash equivalents	5	1.375	110
Other non-financial assets, current		3	2
Trade and other receivables, current	6	108	1
Accounts receivable from related companies, current	7	-	182
Total current assets		1.486	295
Non-current assets			
Accounts receivable from related companies, non-current	7	-	5.400
Investments accounted for using the equity method	8	-	19.371
Properties, plant and equipment	9	4.101	-
Intangibles assets	10	976	-
Biological Assets	11	1.627	-
Deferred tax assets	12	219	172
Total non-current assets		6.923	24.943
Total assets		8.409	25.238

The accompanying notes N° 1 to 20 form an integral part of these financial statements.

BENCHMARK CHILE SpA
STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2019 AND 2018

Liabilities and equity	Note	12/31/2019	12/31/2018
Liabilities		ThUS\$	ThUS\$
Current liabilities			
Trade and other payables, current	13	228	2.003
Current provisions for benefits to the employees		15	-
Related party payables, current	7	678	141
Total current liabilities		921	2.144
Current liabilities			
Related party payables, non current	7	-	17.288
Deferred tax liabilities	12	141	-
Total non-current liabilities		141	17.288
Total liabilities		1.062	19.432
Equity			
Issued capital	14	8.250	8.250
Retained earnings	14	(903)	(2.444)
Total equity		7.347	5.806
Total liabilities and equity		8.409	25.238

The accompanying notes N° 1 to 20 form an integral part of these financial statements.

BENCHMARK CHILE SpA

STATEMENTS OF INCOME

FOR THE YEAR ENDED ON DECEMBER 31, 2019 AND 2018

	Note	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Revenues		19	-
Cost of sales		(236)	-
Gross profit		(217)	-
Administration expenses		(280)	-
Finance income	15	349	182
Finance expense	16	(505)	(419)
Share of profit (loss) of associates and joint venture accounted for using equity method.	8	(1.067)	(2.379)
Other incomes	17	3.369	1
Exchange rate differences		(15)	(1)
Net income/loss before tax		1.634	(2.616)
Income tax expense	12	(93)	172
Loss from continuing operations		1.541	(2.444)
Profit from discontinued operations		-	-
Loss for the year / period		1.541	(2.444)

The accompanying notes N° 1 to 20 form an integral part of these financial statements.

BENCHMARK CHILE SpA

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED ON DECEMBER 31, 2019 AND 2018

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Loss for the year / period	1.541	(2.444)
Total comprehensive loss	1.541	(2.444)

The accompanying notes N° 1 to 20 form an integral part of these financial statements.

BENCHMARK CHILE SpA

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED ON DECEMBER 31, 2019 AND 2018

	Issued capital ThUS\$	Retained earnings ThUS\$	Total equity ThUS\$
Opening balance as of January 1, 2019	8.250	(2.444)	5.806
<u>Changes in equity:</u>			
Profit for the year	-	1.541	1.541
Total changes in equity	-	1.515	1.541
Closing balance as of December 31, 2019	8.250	(903)	7.347

	Issued capital ThUS\$	Retained earnings ThUS\$	Total equity ThUS\$
Opening balance as of January 1, 2018	-	-	-
<u>Changes in equity:</u>			
Paid capital	8.250	-	8.250
Loss for the year	-	(2.444)	(2.444)
Total changes in equity	8.250	(2.444)	5.806
Closing balance as of December 31, 2018	8.250	(2.444)	5.806

The accompanying notes N° 1 to 20 form an integral part of these financial statements.

BENCHMARK CHILE SpA

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED ON DECEMBER 31, 2019 AND 2018

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Cash flows from (used in) operating activities		
Payment received from customers for sales of goods and services	10	-
Payment to suppliers for goods and services	(614)	-
Payment to and on behalf of employees	(302)	-
Interest received	(3)	-
Bank expenses	(1)	-
Net cash flows from (used in) financing activities	(910)	-
Cash flows from (used in) investing activities		
Cash flows used in acquisition of shares in joint venture	(2.000)	(14.250)
Other cash receipts from sales of interests in Joint Ventures	16.250	-
Loans to related entities	-	(5.400)
Net cash flows used in investing activities	14.250	(19.650)
Cash flows from (used in) financing activities		
Loans from related companies	-	11.788
Loan payments to related companies	(11.795)	-
Payments receipts to issues shares	-	8.250
Interest paid	(272)	(279)
Net cash flows from financing activities	(12.067)	19.759
Net increase in cash and cash equivalents		
Effects of exchange rate changes on cash and cash equivalents	(8)	1
Net increase in cash and cash equivalents	1.265	110
Cash and cash equivalent at beginning of period	110	-
Cash and cash equivalents at end of period	1.375	110

The accompanying notes N° 1 to 20 form an integral part of these financial statements.

BENCHMARK CHILE S.p.A.
NOTES TO THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2019 AND 2018

NOTE 1 – INFORMATION ON THE ENTITY

Benchmark Chile SpA is a company that was originally established as Benchmark Genetics Chile SpA by public deed dated November 8, 2017, granted in the Second Notary Square of Santiago by Mr. Alvaro González Salinas. On June 14, 2018, and by means of a public deed granted in the Second Notary Square of Santiago by Mr. Alvaro González Salinas, the corporate name is modified, becoming Benchmark Chile SpA, which remains to date.

On June 22, 2018, the company signs a binding agreement with the Aquachile Group for its entry into the shareholding of Salmones Chaicas S.A, which is now called Benchmark Genetics Chile S.A. Under the transaction, Benchmark Chile SpA acquires 49% of the shareholding of Salmones Chaicas SA, through the purchase of shares owned by Empresas Aquachile SA and its subsidiary Aquachile SA, whose value amounted to US \$ 16.25 million, and the subscription of a capital increase of the company for US \$ 5.5 million.

On June 7, 2019, Empresas Aquachile SA and Benchmark Chile SpA and their related companies signed an agreement under which, the parties agreed to put terms to terminate held in June 2019 between the two companies for the exploitation of the joint venture Benchmark Genetics Chile SA As a result of the foregoing, the Aquachile group acquired all of the shares of Benchmark Genetics Chile S.A., becoming the owner of 100% of the shares and thereby being its sole shareholder. The payment associated with this transaction considers cash and the transfer of fixed and biological assets, among them, everything associated with the Fresh water facility Ensenada, located in the sector of the same name, and that Empresas Aquachile transfers as part of the payment next to the nucleus (groups of fish) from Stofnfiskur origin. With these assets, respectively valued in ThUS\$ 6.074, Benchmark Chile SpA will continue to operate in Chile, expanding its operation to Freshwater Aquaculture and Genetic Services. As of June 2019, the company begins the productive operation and changes its parent company to the city of Puerto Varas.

The Company is domiciled at Puerto Varas, without prejudice to the agencies, offices or branches that may be established both in the country and abroad. The Company's life is indefinite.

These financial statements of Benchmark Chile S.p.A comprise the statement of financial position, the statement of income by function, the statement of comprehensive income, the statement of cash flows – direct method, the statement of changes in equity and the notes to the financial statements with disclosures to said financial statements.

The financial statements show the faithful image of the equity and financial position as of December 31, 2019 and 2018, as well as of the results of operations, changes in equity and cash flows that have occurred in the Company for the period ended as of December 31, 2019 and 2018

The financial statements of Benchmark Chile S.p.A, were prepared on the basis of the principle of a going concern.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are shown below.

2.1 Basis of preparation

These financial statements as of December 31, 2019 have been prepared in accordance with the International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board (IASB).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The financial statements have been prepared under the historic cost approach.

As of the date of these financial statements there are no material uncertainties regarding any event or condition that might raise significant doubts about the likelihood continues operating normally as a going concern.

2.2 New accounting pronouncements

- a) Standards, interpretations and amendments mandatory for the first time for fiscal years starting on January 1, 2019.

Standards and interpretations

IFRS 16 "Leases" – Issued in January 2016, it establishes the principle for the recognition, measurement, presentation and disclosure of leases. IFRS 16 replaces the current IAS 17 and introduces a single lease accounting model. It also requires a lessee to recognize assets and liabilities for all lease contracts with terms over 12 months, unless the value of the underlying assets is low. IFRS 16 is effective for annual periods that begin on or after January 1, 2019, early adoption is permitted for entities that apply IFRS 15 before the first-adoption date of IFRS 16.

IFRIC 23 "Uncertainty over income tax treatments". Issued in June 2017. This interpretation clarifies how the recognition and measurement requirements of IAS 12 apply when there is uncertainty about the tax treatment.

Amendments and improvements

Amendment to IFRS 9 "Financial instruments". Issued in October 2017. This amendment allows more assets to be measured at amortized cost than in the previous version of IFRS 9, particularly certain financial assets prepaid with a negative compensation. The qualifying assets included are certain loans and debt securities, which otherwise would have been measured at fair value through profit or loss (FVTPL). For them to qualify at amortized cost, the negative compensation must be a "fair compensation for the advance termination of contract".

Amendment to IAS 28 "Investment in associates and joint ventures." Issued in October 2017. This amendment clarifies that companies that account for long-term interests in a joint venture or associate - where the equity method is not applied - must be accounted for using IFRS 9. The IASB Board has published an example illustrating how companies apply the requirements of IFRS 9 and IAS 28 to long-term interests in an associate or joint venture.

Amendment to IFRS 3 "Business combinations" Issued in December 2017. The amendment would clarify that obtaining control of a company that is a joint venture is a business combination that is achieved in stages. The acquirer must re-measure its previously held interest in the joint venture at fair value at the acquisition date.

Amendment to IFRS 11 “Joint Arrangements” Issued in December 2017. The amendment clarified that the party obtaining joint control of a company which is a joint venture should not re-measure its previously held interest in the joint venture.

Amendment to IAS 12 “Income tax” Issued in December 2017. The amendment clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognized in accordance with where past transactions or events that generated distributable income were recognized.

Amendment to IAS 23 “Borrowing Costs” Issued in December 2017. The amendment clarified that, if a specific loan remains outstanding after the qualifying asset is ready for its intended use or sale, it becomes part of the general loans.

Amendment to IAS 19 “Employee Benefits” Issued in February 2018. The amendment requires entities to use updated assumptions to determine the current service cost and net interest for the rest of the period after a plan modification, reduction, or liquidation; and to recognize in profit or loss as part of the past service cost, or a gain or loss in liquidation, any reduction in a surplus, even if that surplus was not previously recognized because it did not exceed the asset's maximum limit.

The adoption of the standards, amendments and interpretations described above does not have a significant impact on the financial statements of the Company.

Standards, interpretations and amendments issued, whose adoption is not mandatory yet, for which no early adoption has been made.

Standards and interpretations	Mandatory for years starting on
IFRS 17 “Insurance Contracts”. Issued in May 2018, replaces the current IFRS 4. IFRS 17 shall change accounting mainly for all entities issuing insurance and investment contracts with discretionary participation characteristics. The standard is applied for annual periods starting on or after 1 January 2021 and early application is permitted provided that IFRS 15 “Revenue from contracts with customers” and IFRS 9 “Financial instruments” are applied.	01/01/2021
Amendments to IAS 1 “Presentation of Financial Statements” and IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” Issued in October 2018. It uses a consistent definition of materiality in all IFRSs and the Conceptual Framework for Financial Reporting; it clarifies the explanation of the definition of material; and it incorporates some of the guidance in IAS 1 on non-significant information.	01/01/2020
Amendments to IFRS 3 “Definition of a business” Issued in October 2018. It revises the definition of a business. According to feedback received by the IASB, application of the current guidance is commonly thought to be too complex, and it results in too many transactions qualifying as business combinations.	01/01/2020
Amendment to IFRS 9, IAS 39 and IFRS 7 “Reform to the reference interest rate ” Issued in September 2019. These amendments provide certain simplifications in relation to the reform to reference interest rates. The simplifications relate to hedge accounting and have an effect on the IBOR reform which usually should not cause hedge accounting to end. However, any hedge ineffectiveness must continue to be recorded in income.	01/01/2020

Amendment to IFRS 10, “Consolidated Financial Statements,” and IAS 28, “Investments in Associates and Joint Venture.” Issued in September 2014.

Not specified

The amendment addresses an inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. Amendment to IAS 12 “Income tax” Issued in December 2018. The amendment clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognized in accordance with where past transactions or events that generated distributable income were recognized.

Management believes that adopting these standards, amendments and interpretations will have no significant impact on the Company’s financial statements when they are first applied.

2.3 Segment reporting

Segment information is presented consistent with the internal reports provided to the persons responsible for making relevant operating decisions.

The processing and marketing of salmon products has been defined as single segment.

2.4 Transactions in foreign currencies and indexation units

a) Functional and presentation currency

The Company uses the United States dollar (USD or US\$) as its functional and presentation currency for its financial statements. The functional currency has been determined considering the economic environment in which the Company operates and the currency in which the main cash flows are generated, and the currency in which the funds from financing activities are generated (bank obligations and equity).

b) Transactions and balances

Transactions in foreign currencies and indexation units are recorded at the exchange rate of the respective currency or indexation unit as of the date on which the transaction meets the requirements for initial recognition. At each closing balance sheet, monetary assets and liabilities denominated in foreign currencies and indexation units are translated at the prevailing exchange rate of the respective currency or indexation unit. Exchange differences originated both from the settlement of operations in foreign currency and the valuation of monetary assets and liabilities in foreign currency are included as exchange differences in the income for the year, while differences originate by the changes in the indexation unit are recorded as Indexation units results.

The exchange rates for the principal foreign currencies and indexation units used in these financial statements as of December 31, 2019 and 2018, are the following:

	12/31/2019	12/31/2018
	\$	\$
United States dollar	748.74	694.77

2.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances, time deposits in financial entities, investments in mutual funds, the financial instruments acquired under repurchase agreements, as well as all highly liquid short-term investments with original maturity of three months or less.

2.6 Financial instruments

Financial assets

Financial assets within the scope of IFRS 9 are classified according to the business model used by the Company to manage its financial instruments and contractually established cash flows.

The Company measures its financial assets at amortized cost and/or fair value through profit or loss or equity as appropriate.

Financial instruments are initially measured at fair value plus (in the case of investments not at fair value through profit or loss) directly attributable transaction costs.

The entity determines the classification of their financial assets after initial recognition and, when permitted and appropriate, reassess this designation at the end of each financial year. All regular purchases and sales of financial assets are recognized on the date of sale, which is the date on which the Company commits to purchase the asset. Regular purchases and sales are purchases or sales of financial assets that require the delivery of assets within the period generally established by market regulation or convention. The classifications of investments used are as follows:

- Financial assets at fair value through profit or loss - Assets at fair value through profit or loss include financial assets held for sale and financial assets designated on initial recognition as at fair value through profit or loss.
- Financial assets are classified as held for sale if they are acquired for the purpose of selling them in the short term.
- Derivatives, including separate embedded derivatives (if any), are also classified as held for trading unless they are designated as effective hedging instruments or as financial guarantee contracts. Gains or losses on instruments held for sale are recognized in profit or loss.
- Financial assets measured at amortized cost – The entity measures assets at amortized cost when such asset meets the following two conditions: i. The financial asset is held within a business model whose objective is to hold the financial assets to obtain the contractual cash flows and ii. The contractual terms of the financial asset give rise, on specified dates, to cash flows that are only payments of principal and interest on the outstanding principal amount.
- Financial asset at fair value with changes in other comprehensive income - A financial asset is measured at fair value with changes in other comprehensive income if both of the following conditions are met: i) the financial asset is maintained within a business model whose objective is achieved by obtaining contractual cash flows and selling financial assets and ii) The contractual terms of the financial asset give rise, on specified dates, to cash flows that are only payments of principal and interest on the outstanding principal amount.

- Derivative financial instruments and hedges - If derivative financial instruments exist to hedge risks related to fluctuations in interest rates and foreign exchange rates, these are initially recognized at fair value at the date on which the derivative contract is entered into and are subsequently measured at fair value. Derivatives are recorded as assets (other financial assets) when the fair value is positive and as liabilities (other financial liabilities) when the fair value is negative.

Financial liabilities

Debt and equity instruments are classified either as financial liabilities or as equity based on the substance of the contractual arrangement.

Equity instruments – An equity instrument is any agreement that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recorded at the amount of the consideration received, net of direct issue costs.

Financial liabilities - Financial liabilities are classified either as financial liabilities at "fair value through profit or loss" or as "other financial liabilities".

- a) Financial liabilities are classified at their fair value through profit or loss when they are held for trading or are designated at fair value through profit or loss.
- b) Other financial liabilities, including loans, are valued initially at the amount of cash received, net of transaction costs. Other financial liabilities are subsequently measured at the amortized cost using the effective interest rate, and interest expense is recognized based on the effective rate.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments over the expected life of the financial liability or, where appropriate, any shorter period when the related liability contains a prepayment option that management believes will be exercised.

2.7 Investment in associates and Joint Venture

Associates or Joint Venture are all those companies over which Benchmark Chile SpA has significant influence but not control over financial and operation policies. Investments in associates are accounted for upon generation or purchase at cost and are adjusted subsequently, according to the equity method. The investment in associates includes the goodwill identified in the acquisition, net of any accumulated impairment loss.

2.8 Property, plant and equipment

The Company's property, plant and equipment is land, building, infrastructure, machinery, equipment and other fixed assets. The principal property, plant and equipment xxx are lands, freshwater fish farms, with their respective equipment and machinery.

Property, plant and equipment are recorded initially and subsequently at historical cost less their corresponding depreciation and any accumulated impairment.

As permitted by IFRS 1, the most important lands and buildings at the freshwater subsidiary were revalued on January 1, 2010, for the transition to IFRS. The revaluations were based on market value. These lands and buildings were subsequently valued according to IAS 16 using the historical cost method. Seawater fixed assets were accounted for both initially and subsequently at their respective historical cost, less their corresponding depreciation and any accumulated impairment.

Subsequent costs (replaced components, improvements, expansion, etc.) are included in the asset's initial value or are recognized as separate assets only when it is probable that future financial benefits associated with the fixed asset will be received by the Group and the cost of the fixed asset can be reliably measured. The value of the component replaced is expensed. Any remaining repairs and maintenance are charged to income in the period they arise.

Costs arising from daily maintenance and routine repairs are recorded in net income for the period, as opposed to replaced important parts or assets and strategic spare parts, which are capitalized and depreciated over remaining useful life of the assets, based on these components.

Depreciation is calculated using the straight-line method, and systematically distributed throughout the useful life of the fixed asset. This useful life is based on natural expected deterioration and technical or commercial obsolescence, due to changes or improvements in production and changes in market demand for the products produced by these assets. Land is not depreciated.

Estimated useful lives and residual values are as follows:

Useful life	Fresh water	
	Average Years	Residual value ThUS\$
Buildings	14	-
Plant and equipment	5	-
IT equipment	4	-
Fixtures and fittings	6	-

The Company reviews and adjusts if necessary the useful lives of its assets as of each reporting date, so that remaining useful lives are in line with asset values.

When an asset's value is greater than its estimated recoverable amount, its value is reduced immediately to its recoverable amount by applying impairment testing.

Losses and gains on the sale of property, plant and equipment are calculated by comparing proceeds obtained to the book value (net of depreciation) and are included in the statement of income.

2.9 Intangible assets other than goodwill

c) a) Water rights

These are water rights associated with the technical projects at fish farms. These rights are indefinite and are not amortized. Water rights were acquired from Aquachile as part of the payment for the JV termination and are presented at historical cost.

b) Computer programs

Licenses for purchased software are capitalized on the basis of the costs incurred to purchase and prepare them to use the specific program. These costs are amortized over their estimated useful lives of 4 years.

Expenses for developing or maintaining computer software are expensed when incurred. Costs directly related to creating unique, identifiable computer software controlled by the Company that is likely to generate financial benefits in excess of its costs for more than one year are recognized as intangible assets. Direct costs include expenses for personnel that develop the software and any expense incurred in its development and maintenance.

2.10 Biological assets

Biological assets of the Atlantic salmon species such as spawning fish, fry, smolts, small farmed fish, and eggs are measured at fair value less estimated costs at the point of sale, except when fair value cannot be determined reliably according to the definitions contained in IAS 41, for the above, the search for an active market for these assets must be considered in the first instance.

The direct and indirect costs incurred in the production process are part of the value of the biological asset through its activation.

2.11 Current and deferred income tax

Deferred income tax is determined using tax rates contained in laws that have been enacted or substantially enacted in each operating country by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred taxes arising from the initial recognition of an asset or liability in a transaction other than a business combination that does not affect the accounting result or the tax base at the time of recognition are not recognized.

Deferred tax assets are recorded when it is deemed probable the entity will obtain sufficient future taxable profit or there are deferred tax liabilities in amounts sufficient to offset them.

The Company does not have deferred taxes on temporary differences.

2.12 Finance cost

If applicable, finance costs incurred for the construction of any qualifying asset must be capitalized during the time period necessary to complete and prepare the asset for the intended use. Other finance costs, other than the abovementioned, are recorded in the income statement.

During the periods comprised in these financial statements, no interest capitalizations were performed, given that there are no constructions of qualifying assets.

2.13 Impairment of non-financial assets

The Company assesses annually whether there is evidence of impaired non-current assets. If so, the Company estimates the recoverable amount of the impaired asset. If it is not possible to estimate the recoverable amount of impaired assets individually, the recoverable amount of the cash-generating unit the asset belongs to is estimated.

2.14 Leases

Lease contracts are classified as financial when the contract transfers to the Company substantially all the risks and benefits inherent in ownership of the asset, in accordance with IFRS 16 "Leases".

Each lease payment is distributed between the liability and the financial charges to obtain a constant interest rate on the balance outstanding of the debt. The corresponding leasing obligations, net of financial charges, are shown in other financial liabilities. The interest element of the financial cost is charged to the statement of results during the period of the lease in order to obtain a constant periodic interest rate on the remaining balance of the liability for each year. The assets acquired under a financial lease are depreciated over their useful life and included in property, plant and equipment.

At the end of the year the Company has not signed financial lease contracts.

2.15 Contingent liabilities and provisions

Provisions are recognized when: (i) the Company has a present obligation, either legal or constructive, as a result of past events; (ii) it is probable that an outflow of resources will be required to settle the obligation and (iii) the amount has been estimated reliably. The amounts recognized as provision are the Management's best estimate as of the closing date of the financial statements, as well as the disbursements necessary to settle the obligation.

2.16 Share capital

The share capital is represented by ordinary shares.

2.17 Dividends

The company administrator may annually capitalize profits not distributed as dividends, for the purpose of financing the ordinary management of the company or for specific purposes that previously determine two thirds of the issued shares.

Dividends will be paid exclusively from the net profits of the year or withheld from balances approved by the general meeting of shareholders. However, if the company has accumulated losses, the profits for the year will be used primarily to absorb them and if a balance sheet results in losses, these will be with retained earnings that exist.

2.18 Environment

In general, the disbursements relating to the improvement of productive processes for the environmental care and protection are accounted for as expense in the period in which they are incurred.

NOTE 3 – CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Accounting estimates and assumptions are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are considered reasonable in the circumstances.

The Company prepare estimates and assumptions regarding the future. Estimates and assumptions that have a significant risk of causing material changes in assets and liabilities are presented below.

a) Biological assets

The estimated fair value of fish biomass is the Company's best estimate based on its experience, technology and productive models. The principal estimates are: fish biomass volume, biomass average weights, raw material yields and biomass growth.

Variations in estimates of biomass and the distribution of fish size at harvest will be minor under normal sanitary conditions, as these can produce variations in prices.

b) Asset impairment

The Group annually evaluates asset impairment based on each cash generating unit (CGU) in accordance with IAS 36. The assets included in this evaluation are property, plant and equipment, and intangible assets other than goodwill. As some intangible assets have an indefinite useful life, the Group evaluates evidence of their impairment at each reporting date.

Therefore, as there is no active market to calculate the fair value of these assets, the Company uses the value in use method to evaluate evidence of impairment.

Evidence of impairment on the assets included in cash generating units (CGU) has been evaluated. Property, plant and equipment and intangible assets.

The Group's cash-generating unit is marketing salmon and trout, according to its business model.

The Group has used a cash flow forecasting model to calculate the value in use of its assets, based on the following assumptions.

1. Three year evaluation horizon. Investments in the industry are long-term, which means that a horizon below 3 years would not represent the Company's situation.
2. Forecast cash flows. Cash flows used in the methodology are based on budget data, best estimates and reasonable and substantiated assumptions that represent Management's best estimates, taking into account the prevailing economic conditions during the remaining useful life of the evaluated assets. The most important assumptions are:
 - 2.1. Sales and production forecast for the next 3 years.
 - 2.2. Forecast cash flows do not include any residual asset value at the end of the third year.

Cash flow forecasts are brought to present value using a discount rate that reflects the time value of money and the risks specific to the asset. The Weighted Average Cost of Capital (WACC) rate is used, calculated on the basis of the following variables: The Company or industry beta; the risk-free rate of return; the market rate of return; the cost of the Company's financial debt; and the long-term target debt/equity ratio.

As a result of this evaluation, no evidence was found of impairment of the assets included in the CGU (property, plant and equipment and intangible assets).

NOTE 4 – FINANCIAL RISK MANAGEMENT

The Company believes that a balanced behavior between opportunities and risks is an important factor in a system of sustainable management oriented to value. This philosophy is demonstrated when taking advantageous measures which are useful to protect and improve the Company's competence.

The purpose of risk management is to detect existing risks early and consistently, assess them and provide a relevant decision along with information over the risk. The risk assessment is based on a short, medium and long-term frame.

The main financial risk detected are:

I. Credit risk

- a) Risk of investments of cash surpluses: The quality of the financial institutions Benchmark Chile SpA operates with and the type of financial products in which said investments take place defines a low risk policy for the Company.
- b) Risk of the sales operations: Benchmark Chile SpA performs sales operations with letters of credit, through advance payments or with customers with an excellent credit performance under the CAD (Cash against documents) incoterm or documents release against payment received of the goods.

II. Liquidity risk

The liquidity risk arises from the likelihood of mismatch between the need of funds (relating to operating and financial expenses, investments in assets, debt maturities and committed dividends) and the sources (proceeds from redemption of marketable securities or financial investments, collection of customer accounts, and the financing with financial entities). The Company has a prudent liquidity risk management policy by maintaining sufficient cash and marketable securities and seeking to maintain the due availability of funds in banks.

III. Market risk

- a) **Foreign exchange risk:** The exchange rates can affect the performance of Benchmark Chile S.pA, since a part of its costs (labor and other services such as overland transport) are indexed to the Chilean peso, and its sales are chiefly denominated in foreign currencies, such as the United States dollar and, to a lesser extent, in peso. Furthermore, given that the Company reports its balance sheets in dollars, changes in the strength of the dollar against the rest of the currencies in which the Company operates can have negative or positive effects on its financial results. In general, the policy with regard to financial liabilities, is to keep them matched with the sales income in United States dollars.
- b) **Interest rate risk:** The fluctuation in the interest rates modifies the future cash flows of the assets and liabilities indexed to a variable interest rate.

Benchmark Chile SpA has exposure to the interest rate risk because its financing is composed of a rate that varies according Libor rate. A follow-up up is usually made of the terms and conditions of these loans and the convenience of taking out interest rate insurance is assessed which, according to the market conditions, can be carried out when deemed convenient.

NOTE 5 – CASH AND CASH EQUIVALENTS

As of December 31, 2019 and 2018, this item is detailed as follows:

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Class of cash and cash equivalents		
Balances in the Chilean ITAU bank	1.375	110
Total cash and cash equivalents	1.375	110
	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Cash and cash equivalents by type of currency		
Itaú bank (US\$)	166	100
Fix term deposit (Ch\$)	1.209	10
Total cash and cash equivalents	1.375	110

There are no legal restrictions over cash and cash equivalents.

NOTE 6 – FINANCIAL INSTRUMENTS

Financial instruments by category

As of December 31, 2019	Financial assets measured at amortized cost ThUS\$	Financial assets at fair value through other comprehensiv e income. ThUS\$	Assets at fair value through profit or loss ThUS\$	Total ThUS\$
Cash and cash equivalents	166	-	1.209	1.375
Trade and other receivables	108	-	-	108
Total	274	-	1.209	1.483

As of December 31, 2018	Financial assets measured at amortized cost ThUS\$	Financial assets at fair value through other comprehensiv e income. ThUS\$	Assets at fair value through profit or loss ThUS\$	Total ThUS\$
Cash and cash equivalents	100	-	10	110
Trade and other receivables	1	-	1	1
Total	101	-	11	111

As of December 31, 2019, the company does not present balances of financial instruments.

NOTE 7 – SIGNIFICANT BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties correspond to customary operations as to their purpose. These are performed under market conditions in which concerns price and payment. There are no estimates of doubtful accounts which rebate balances receivable, nor are there related guarantees.

a) Accounts receivable from related companies, current.

Company	Tax No.	Country of origin	Relationship	Currency	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Benchmark Genetics Chile S.A.	76.125.666-1	Chile	Associated	Dollar	-	182
Total					-	182

b) Accounts receivable from related companies, non-current

Company	Tax No.	Country of origin	Relationship	Currency	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Benchmark Genetics Chile S.A.	76.125.666-1	Chile	Associated	Dollar	-	5.400
Total						5.400

c) Related party payables, current:

Company	Tax No.	Country of origin	Relationship	Currency	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Benchmark Genetics Limited	-	UK	Shareholder	Dollar	638	141
Stofnfiskur	-	Island	Common shareholder	Dollar	40	-
Total					678	141

d) Related party payables, non-current:

Company	Tax No.	Country of origin	Relationship	Currency	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Benchmark Genetics Limited	-	UK	Shareholder	Dollar	-	11.788
Benchmark Genetics Chile S.A.	76.125.666-1	Chile	Associated	Dollar	-	5.500
Total					-	17.288

e) Relevant transactions with related parties:

Company	Transaction	Currency	12/31/2018	
			Amount ThUS\$	Effect on income ThUS\$
Benchmark Genetics Limited	Accrued interest credit	Dollar	182	182
Benchmark Genetics Chile S.A.	Loan	Dollar	5.400	-
Benchmark Genetics Limited	Interest	Dollar	(141)	(141)
Benchmark Genetics Limited	Loan	Dollar	(11.778)	-
Total			(6.337)	41

Company	Transaction	Currency	12/31/2019	
			Amount ThUS\$	Effect on income ThUS\$
Benchmark Genetics Chile S.A.	Accrued interest credit	Dollar	170	170
Benchmark Genetics Chile S.A.	Loan	Dollar	(5.400)	-
Stofnfiskur	Eggs purchase	Dollar	(43)	-
Stofnfiskur	Expenses	Dollar	3	-
Benchmark Genetics Limited	Interest	Dollar	(504)	(504)
Benchmark Genetics Limited	Loan	Dollar	(200)	-
Total			(5.974)	(334)

NOTE 8 – INVESTMENT ACCOUNT OF USING THE EQUITY METHOD

As of December 31, 2019 and 2018 the Company has

b) Investment

	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Benchmark Genetics Chile S.A (49%)	-	3.689
Goodwill	-	18.061
Sub total	-	21.750
Recognition of the proportional result	-	(2.379)
Total	-	19.371

During 2018, the company acquired 49,00% of Salmenes Chaicas S.A. shares (currently Benchmark Genetics Chile S.A.), from Empresas Aquachile S.A. from this transaction, the company maintains joint control of this company with Empresas Aqua Chile S.A.

On June 7, 2019, Empresas Aquachile SA and Benchmark Chile SpA and their related companies signed an agreement under which, the parties agreed to put terms to terminate held in June 2019 between the two companies for the exploitation of the joint venture Benchmark Genetics Chile SA As a result of the foregoing, the Aquachile group acquired all of the shares of Benchmark Genetics Chile S.A., becoming the owner of 100% of the shares and thereby being its sole shareholder. The payment associated with this transaction considers cash and the transfer of fixed and biological assets, among them, everything associated with the Fresh water facility Ensenada, located in the sector of the same name, and that Empresas Aquachile transfers part of the payment next to the nucleus (groups of fish) from Stofnfiskur origin. With these assets Benchmark Chile SpA will continue to operate in Chile, expanding its operation to Freshwater Aquaculture and Genetic Services. As of June 2019, the company begins the productive operation and changes its parent company to the city of Puerto Varas.

During the year, the company recognized a loss of ThUS\$ (1.067) as proportional result in Chaicas for the period January-May 2019

NOTE 9 – PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment and its movements during the years ended December 31, 2019 and 2018 are as follows:

a) Property, plant and equipment, net

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Land	1.530	-
Buildings	852	-
Machines and Equipment	1.430	-
Assets under construction	282	-
Others	7	-
Total	4.101	-

b) Property, plant and equipment, gross

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Land	1.530	-
Buildings	852	-
Machines and Equipment	1.442	-
Assets under construction	282	-
Others	7	-
Total	4.113	-

c) Accumulated depreciation of property, plant and equipment

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Equipment and other fixed assets	12	-
Total	12	-

d) movement of the different classes of property, plant and equipment at the end of the period:

	Land	Buildings net	Machines and Equipment net	Others net	Assets under construction	Total property, plant and equipment, net
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Opening balances as of January 1, 2019	-	-	-	-	-	-
Additions	1.530	852	1.442	7	282	4.113
Depreciation	-	-	(12)	-	-	(12)
Closing balances as of December 31, 2019	1.530	852	1.430	7	282	4.101

e) Depreciation method

Depreciation is calculated on a straight-line basis over the respective useful life of the asset. This useful life is based on natural expected impairment and technical or commercial obsolescence, due to changes or improvements in production and changes in market demand for the products produced by these assets.

f) Useful lives and depreciation rates

Estimated useful lives by asset class are as follows:

	Fresh Water Useful life Average
Buildings	14
Plant and equipment	5
IT equipment	4
Fixtures and fittings	6

The residual value and useful life of assets are reviewed and adjusted if needed at each reporting date.

NOTE 10 – INTANGIBLE ASSETS OTHER THAN GOODWILL

Non-internally created intangible assets are as follows.

	Useful life	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Water rights	Indefinite	964	-
Computer licenses	Indefinite	12	-
Total		976	-

a) Aquaculture concessions and water rights

The Company has concession requests progressing through various legal stages. The acquisition of these requests in progress has resulted in payments related to compliance with the various stages in the process. These contingent liabilities are not recorded, as required by IAS 38.

NOTE 11 – BIOLOGICAL ASSETS

Biological assets at the Company are composed of fish in seawater, and eggs, fry and smolts.

The biological assets that management deems will be harvested during the course of the next 12 months are classified as current biological assets.

Movements in biological assets for the years ended December 31, 2019 and 2018 are as follows:

	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Opening biological assets		
Biomass transfer due to JV termination	887	-
Increase from fattening and production	976	-
Decrease due to sales (at cost)	(236)	-
Closing biological assets	1.627	-

A quantitative summary of biological assets as of December 31, 2019 and 2018 is as follows.

a) Fresh water

	12/31/2019 Units	12/31/2018 Units
Fresh water		
Eggs	217.045	-
Fry	65.554	-
Broodstock	8.075	-
Total Freshwater	290.674	-

NOTE 12 – CURRENT INCOME TAX AND DEFERRED TAXES

Deferred taxes represent the amount of taxes over profit that Benchmark Chile SpA will have to pay (liabilities) or receive (assets) in future years, related to temporary differences between the tax base and the accounting amount in books of certain assets and liabilities.

For the Company, the main deferred tax asset are the tax losses, receivable in future years

a) Deferred tax assets and liabilities are detailed as follows:

	12/31/2019		12/31/2018	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Tax loss	63	-	172	-
Water rights	2	-	-	-
Indirect cost	-	141	-	-
Property, plant and equipment	7	-	-	-
Provisions	7	-	-	-
Financial costs, related companies	140	-	-	-
Total	219	141	172	-

b) The movement of deferred tax assets is as follows:

	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Opening balance	172	-
Tax loss	-	172
Tax gain	47	-
Closing balance	219	172

c) Income tax effect on income is as follows:

	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Effect of deferred tax	(93)	172
Total	(93)	172

The reconciliation between the income tax expense using the statutory rate and the tax expense is as follows:

	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Income tax expense using the statutory rate	(441)	706
Other	348	(534)
Expense	(93)	172

NOTE 13 – TRADE AND OTHER PAYABLES

Trade and other payables correspond to domestic suppliers and other liabilities detailed below:

	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Payable documents	228	2.003
Total	228	2.003

NOTE 14 – EQUITY

a) Capital

As of December 31, 2019, capital amounts to US\$ 13.751.576, consisting of 8.703.532 shares, subscribed. Capital paid as of December 2019 is an amount of US\$ 8.250.000. The company has issued only ordinary, one-series shares, which have the same voting rights.

Series	Capital subscribed ThUS\$	Capital Paid ThUS\$
Capital	13.752	13.752
Total	13.572	13.752

The main goal when managing the shareholders' capital is to keep an investment without risk, forecasting a budgeted profitability.

b) Shareholding structure

The shareholding structure as of December 31, 2019, is as follows:

	%	Number shares
Benchmark Genetics Limited	100%	8.703.532
Total	100%	8.703.532

NOTE 15 – FINANCE INCOME

Finance income	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Loan to Benchmark Genetics Chile S.A.	170	182
Loan to Empresas Aquachile S.A.	176	-
Interest gain on fixed deposits	3	-
Total	349	182

NOTE 16 – FINANCE EXPENSE

Finance expense	12/31/2019 ThUS\$	12/31/2018 ThUS\$
Loan from Benchmark Limited	(504)	(418)
Bank commissions and expenses	(1)	(1)
Total	(505)	(419)

NOTE 17 – OTHER INCOMES

Other incomes	12/31/2019	12/31/2018
	ThUS\$	ThUS\$
Other incomes	3.369	1
Total	3.369	1

Effect associated with the termination of the Joint Venture, according note 8.

NOTE 18 – CONTINGENCIES, COMMITMENTS AND GUARANTEES

During the period, the company had no contingencies, commitments and guarantees to reveal.

NOTE 19 – ENVIRONMENT

No investments have been made regarding this item during the period.

NOTE 20 – EVENTS AFTER THE REPORTING PERIOD

On January 30, 2020, the World Health Organization declared the outbreak of coronavirus disease 2019 ("COVID-19") to be a public health emergency of international importance.

In Chile, on March 16, 2020, the Ministry of Health declared COVID-19 in stage 4, which implies a series of measures to contain its spread, and on March 18, 2020, a State of Catastrophe has been declared throughout the country. Part of the health measures that have been adopted to address this situation, both at local and international levels, include, among others, restrictions on movement and border shutdowns, which are expected to significantly affect economic activity and markets in general.

At the date of issuance of these financial statements, the Company's operations have not been significantly affected by the situation described above.

Between December 31, 2019 and the date of issuance of these financial statements, no other events of financial or other nature have occurred that might significantly affect their interpretation.

BENCHMARK CHILE SPA

Financial Statements as of September 30, 2020
and for the nine-month period ended September 30, 2020

(With the Independent Auditor's Report Thereon)

BENCHMARK CHILE SPA

CONTENTS

Independent Auditor's Report

Statement of Financial Position

Statement of Income by Function

Statement of Comprehensive Income

Statement of Changes in Equity

Statement of Cash Flows, Direct Method

Notes to the Financial Statements

US\$: United States dollars

ThUS\$: Thousands of United States dollars



Independent Auditor's Report

To the Shareholders and Directors of
Benchmark Chile SpA:

We have audited the accompanying financial statements of Benchmark Chile SpA ("the Company"), which comprise the statement of financial position as of September 30, 2020, and the related statements of comprehensive income, changes in shareholders' equity, and cash flows for the nine-month period then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Benchmark Chile SpA as of September 30, 2020, and the results of their operations and their cash flows for nine-month period then ended in accordance with International Financial Reporting Standards.

A handwritten signature in blue ink, appearing to read 'Alex Quezada Q.', written over a large, stylized blue loop.

Alex Quezada Q.

KPMG SpA

Puerto Montt, December 23, 2020

BENCHMARK CHILE SPA

Statement of Financial Position
as of September 30, 2020

Assets	Note	09-30-2020 ThUS\$
Current assets:		
Cash and cash equivalents	5	95
Other non-financial assets, current		3
Biological assets	10	899
Trade and other receivables, current	6	<u>751</u>
Total current assets		<u>1,748</u>
Non-current assets:		
Properties, plant and equipment	8	11,431
Intangibles	9	976
Biological assets	10	1,798
Deferred tax assets	11	<u>427</u>
Total non-current assets		<u>14,632</u>
Total assets		<u><u>16,380</u></u>

See accompanying notes to these financial statements.

BENCHMARK CHILE SPA

Statement of Financial Position, continued
as of September 30, 2020

Liabilities and equity	Note	09-30-2020 ThUS\$
Current liabilities:		
Trade and other payables, current	12	448
Financial liabilities, current	13	937
Current provisions for benefits to the employees		19
Related party payables, current	7	<u>3,976</u>
Total current liabilities		<u>5,380</u>
Non- current liabilities:		
Financial liabilities, non-current	13	<u>4,904</u>
Total non-current liabilities		<u>4,904</u>
Total liabilities		<u>10,284</u>
Equity:		
Issued capital	14	8,250
Retained earnings	14	<u>(2,154)</u>
Total equity		<u>6,096</u>
Total liabilities and equity		<u><u>16,380</u></u>

See accompanying notes to these financial statements.

ENCHMARK CHILE SPA

Statement of Comprehensive Income by Function
for the nine-month period ended as of September 30, 2020

	Note	01-01-2020 09-30-2020 ThUS\$
Profit/(loss)		
Revenues		133
Cost of sales		(16)
		<hr/> 117
Gross profit		117
Administration expenses	15	(856)
Other incomes		3
Other expenses	16	(545)
Finance income		1
Finance expense	17	(302)
Exchange rate differences		(17)
		<hr/>
Loss before tax		(1,599)
Income tax credit	11	348
		<hr/>
Loss for the period		<u>(1,251)</u>
Other comprehensive income:		
Loss for the period		<u>(1,251)</u>
Total comprehensive loss		<u><u>(1,251)</u></u>

See accompanying notes to these financial statements.

BENCHMARK CHILE SPA

Statement of Changes in Equity
for the nine-month period ended as of September 30, 2020

	Share capital ThUS\$	Retained earnings ThUS\$	Total Equity ThUS\$
Opening balance as of January 1, 2020	8,250	(903)	7,347
Changes in equity:			
Loss for the year	-	(1,251)	(1,251)
Total changes in equity	-	(1,251)	(1,251)
Closing balance as of September 30, 2020	8,250	(2,154)	6,096

See accompanying notes to these financial statements.

BENCHMARK CHILE SPA

Statement of Cash Flows
for the nine-month period ended as of September 30, 2020

	09-30-2020 ThUS\$
Cash flows from (used in) operating activities:	
Payment received from customers for sales of goods and services	100
Payment to suppliers for goods and services	(1,901)
Payment to and on behalf of employees	(638)
Income taxes received	2
Bank expenses	(5)
Net cash flows from (used in) financing activities	<u>(3,090)</u>
Purchases of property, plant and equipment:	<u>(1,360)</u>
Net cash flows used in investing activities	<u>(2,008)</u>
Cash flows from (used in) financing activities:	
Loans from related companies	<u>3,190</u>
Net cash flows from financing activities	<u>3,190</u>
Net increase in cash and cash equivalents	(1,260)
Effects of exchange rate changes on cash and cash equivalents	(20)
Cash and cash equivalent at beginning of period	<u>1,375</u>
Cash and cash equivalents at end of period	<u>95</u>

See accompanying notes to these financial statements.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

1. Information on the Entity

Benchmark Chile SpA is a company that was originally established as Benchmark Genetics Chile SpA by public deed dated November 8, 2017, granted in the Second Notary Square of Santiago by Mr. Alvaro González Salinas. On June 14, 2018, and by means of a public deed granted in the Second Notary Square of Santiago by Mr. Alvaro González Salinas, the corporate name is modified, becoming Benchmark Chile SpA, which remains to date. The parent company is Benchmark Genetics Limited based in Sheffield, United Kingdom.

On June 22, 2018, the company signs a binding agreement with the Aquachile Group for its entry into the shareholding of Salmones Chaicas S.A, which is now called Benchmark Genetics Chile S.A. Under the transaction, Benchmark Chile SpA acquires 49% of the shareholding of Salmones Chaicas SA, through the purchase of shares owned by Empresas Aquachile SA and its subsidiary Aquachile SA, whose value amounted to US \$ 16.25 million, and the subscription of a capital increase of the company for US\$ 5.5 million.

On June 7, 2019, Empresas Aquachile SA and Benchmark Chile SpA and their related companies signed an agreement under which, the parties agreed to put terms to terminate held in June 2019 between the two companies for the exploitation of the joint venture Benchmark Genetics Chile SA. As a result of the foregoing, the Aquachile group acquired all of the shares of Benchmark Genetics Chile S.A., becoming the owner of 100% of the shares and thereby being its sole shareholder. The payment associated with this transaction considers cash and the transfer of fixed and biological assets, among them, everything associated with the Fresh water facility Ensenada, located in the sector of the same name, and that Empresas Aquachile transfers as part of the payment next to the nucleus (groups of fish) from Stofnfiskur origin. With these assets, respectively valued in ThUS\$ 6,074, Benchmark Chile SpA will continue to operate in Chile, expanding its operation to Freshwater Aquaculture and Genetic Services. As of June 2019, the company begins the productive operation and changes its parent company to the city of Puerto Varas.

The Company is domiciled at Puerto Varas, without prejudice to the agencies, offices or branches that may be established both in the country and abroad. The Company's life is indefinite.

The main activities of the company are the following:

- Production, exports and imports, sales and distribution of salmon eggs, fry, smolts and broodstock.
- Technical services related to the above mentioned activities.

These financial statements of Benchmark Chile S.p.A comprise the statement of financial position, the statement of income by function, the statement of comprehensive income, the statement of cash flows – direct method, the statement of changes in equity and the notes to the financial statements with disclosures to said financial statements. The financial statements of Benchmark Chile S.p.A, were prepared on the basis of the principle of a going concern.

The financial statements show the faithful image of the equity and financial position as of September 30, 2020 as well as of the results of operations, changes in equity and cash flows that have occurred in the Company for the nine-month period ended as of September 30, 2020.

The financial statements and this report were approved on December 23, 2020 by Pablo Mazo Traversi, General Manager of the company.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

2. Summary of Significant Accounting Policies

The significant accounting policies adopted in the preparation of these financial statements are shown below.

2.1. Basis of preparation

These financial statements as of September 30, 2020 have been prepared in accordance with the International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board (IASB).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The financial statements have been prepared under the historic cost approach with the exception of Financial instruments, which are measured at their fair value.

As of the date of these financial statements there are no material uncertainties regarding any event or condition that might raise significant doubts about the likelihood continues operating normally as a going concern.

2.2. Period covered

The financial statements cover the following periods:

Statements of financial position	: As of September 30, 2020
Statements of comprehensive income	: For the nine months ended September 30, 2020
Statements of changes in equity	: For the nine months ended September 30, 2020
Statements of cash flows	: For the nine months ended September 30, 2020
Notes to the financial statements	: As of September 30, 2020

2.3. New accounting pronouncements

New standards, amendments to standards and interpretations that are mandatory for the first time for annual periods beginning on January 1, 2020:

Amendments to IFRS	
Modifications to references to the Conceptual Framework in IFRS Standards	Annual periods beginning on or after January 1, 2020.
Business Definition (Amendments to IFRS 3)	Annual periods beginning on or after January 1, 2020. Early adoption is allowed.
Material Definition (Modifications to IAS 1 and IAS 8)	Annual periods beginning on or after January 1, 2020. Early adoption is allowed.
Reform of the Reference Interest Rate (Modifications to IFRS 9, IAS 39 and IFRS 7)	Annual periods beginning on or after January 1, 2020. Early adoption is allowed.

The application of the pronouncements has had no specific effects for the Company. There were no changes in the remaining accounting policies applied during 2020 compared to the prior year.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

2. Summary of Significant Accounting Policies, continued

2.3. New accounting pronouncements, continued

The following new standards, amendments and interpretations have been issued but their application date is not yet in force:

New standards	Mandatory for
IFRS 17 Insurance Contracts	Annual periods beginning on or after January 1, 2023. This date includes the exemption of insurers from applying IFRS 9 to allow them to implement IFRS 9 and IFRS 17 at the same time. Early adoption is permitted for entities applying IFRS 9 and IFRS 15 on or before that date.
Amendments to IFRSs	
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Modifications to IFRS 10 and IAS 28).	Effective date deferred indefinitely.
Onerous Contracts - Costs of Fulfillment of a Contract (Amendments to IAS 37)	Annual periods beginning on or after January 1, 2022. Early adoption is allowed.
Property, Plant and Equipment - Income before intended use (Amendments to IAS 16)	Annual periods beginning on or after January 1, 2022. Early adoption is allowed.
Annual improvements to IFRS Standards 2018-2020	Annual periods beginning on or after January 1, 2022. Early adoption is allowed.
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2023. Early adoption is allowed.
Reference to the Conceptual Framework (Amendments to IFRS 3)	Annual periods beginning on or after January 1, 2022. Early adoption is allowed.
Reform of the Reference Interest Rate (Modifications to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	Annual periods beginning on or after January 1, 2021. Early adoption is allowed.

The Company plans to adopt the accounting pronouncements that correspond to them on their respective application dates and not in advance.

2.4. Segment reporting

Segment information is presented consistent with the internal reports provided to the persons responsible for making relevant operating decisions. The processing and marketing of salmon products has been defined as single segment.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

2. Summary of Significant Accounting Policies, continued

2.5. Transactions in foreign currencies and indexation units

a) Functional and presentation currency

The Company uses the United States dollar (USD or US\$) as its functional and presentation currency for its financial statements. The functional currency has been determined considering the economic environment in which the Company operates and the currency in which the main cash flows are generated, and the currency in which the funds from financing activities are generated (bank obligations and equity).

b) Transactions and balances

Transactions in foreign currencies and indexation units are recorded at the exchange rate of the respective currency or indexation unit as of the date on which the transaction meets the requirements for initial recognition. At each closing balance sheet, monetary assets and liabilities denominated in foreign currencies and indexation units are translated at the prevailing exchange rate of the respective currency or indexation unit. Exchange differences originated both from the settlement of operations in foreign currency and the valuation of monetary assets and liabilities in foreign currency are included as exchange differences in the income for the year, while differences originate by the changes in the indexation unit are recorded as Indexation units results.

The exchange rates for the principal foreign currencies and indexation units used in these financial statements as of September 30, 2020, are the following:

	09-30-2020 US\$
Chilean peso	0.00127

2.6. Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances, time deposits in financial entities, investments in mutual funds, the financial instruments acquired under repurchase agreements, as well as all highly liquid short-term investments with original maturity of three months or less.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

2. Summary of Significant Accounting Policies, continued

2.7. Financial instruments

Financial assets

Financial assets within the scope of IFRS 9 are classified according to the business model used by the Company to manage its financial instruments and contractually established cash flows.

The Company measures its financial assets at amortized cost and/or fair value through profit or loss or equity as appropriate. Financial instruments are initially measured at fair value plus (in the case of investments not at fair value through profit or loss) directly attributable transaction costs.

The entity determines the classification of their financial assets after initial recognition and, when permitted and appropriate, reassess this designation at the end of each financial year. All regular purchases and sales of financial assets are recognized on the date of sale, which is the date on which the Company commits to purchase the asset. Regular purchases and sales are purchases or sales of financial assets that require the delivery of assets within the period generally established by market regulation or convention. The classifications of investments used are as follows:

- Financial assets at fair value through profit or loss - Assets at fair value through profit or loss include financial assets held for sale and financial assets designated on initial recognition as at fair value through profit or loss.
- Financial assets are classified as held for sale if they are acquired for the purpose of selling them in the short term.
- Derivatives, including separate embedded derivatives (if any), are also classified as held for trading unless they are designated as effective hedging instruments or as financial guarantee contracts. Gains or losses on instruments held for sale are recognized in profit or loss.
- Financial assets measured at amortized cost – The entity measures assets at amortized cost when such asset meets the following two conditions: i) The financial asset is held within a business model whose objective is to hold the financial assets to obtain the contractual cash flows and ii) The contractual terms of the financial asset give rise, on specified dates, to cash flows that are only payments of principal and interest on the outstanding principal amount.
- Financial asset at fair value with changes in other comprehensive income - A financial asset is measured at fair value with changes in other comprehensive income if both of the following conditions are met: i) the financial asset is maintained within a business model whose objective is achieved by obtaining contractual cash flows and selling financial assets and ii) The contractual terms of the financial asset give rise, on specified dates, to cash flows that are only payments of principal and interest on the outstanding principal amount.
- Derivative financial instruments and hedges - If derivative financial instruments exist to hedge risks related to fluctuations in interest rates and foreign exchange rates, these are initially recognized at fair value at the date on which the derivative contract is entered into and are subsequently measured at fair value. Derivatives are recorded as assets (other financial assets) when the fair value is positive and as liabilities (other financial liabilities) when the fair value is negative.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

2. Summary of Significant Accounting Policies, continued

2.7. Financial instruments, continued

Financial liabilities

Debt and equity instruments are classified either as financial liabilities or as equity based on the substance of the contractual arrangement.

Equity instruments – An equity instrument is any agreement that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recorded at the amount of the consideration received, net of direct issue costs.

Financial liabilities - Financial liabilities are classified either as financial liabilities at "fair value through profit or loss" or as "other financial liabilities".

- a) Financial liabilities are classified at their fair value through profit or loss when they are held for trading or are designated at fair value through profit or loss.
- b) Other financial liabilities, including loans, are valued initially at the amount of cash received, net of transaction costs. Other financial liabilities are subsequently measured at the amortized cost using the effective interest rate, and interest expense is recognized based on the effective rate.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments over the expected life of the financial liability or, where appropriate, any shorter period when the related liability contains a prepayment option that management believes will be exercised.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

2. Summary of Significant Accounting Policies, continued

2.8. Property, plant and equipment

The Company's property, plant and equipment is land, building, infrastructure, machinery, equipment and other fixed assets. The principal property, plant and equipment are lands, freshwater fish farms, with their respective equipment and machinery.

Property, plant and equipment are recorded initially and subsequently at historical cost less their corresponding depreciation and any accumulated impairment.

The most important lands and buildings at the freshwater subsidiary were subsequently valued according to IAS 16 using the historical cost method.

Subsequent costs (replaced components, improvements, expansion, etc.) are included in the asset's initial value or are recognized as separate assets only when it is probable that future financial benefits associated with the fixed asset will be received by the Company and the cost of the fixed asset can be reliably measured. The value of the component replaced is expensed. Any remaining repairs and maintenance are charged to income in the period they arise.

Costs arising from daily maintenance and routine repairs are recorded in net income for the period, as opposed to replaced important parts or assets and strategic spare parts, which are capitalized and depreciated over remaining useful life of the assets, based on these components.

Depreciation is calculated using the straight-line method, and systematically distributed throughout the useful life of the fixed asset. This useful life is based on natural expected deterioration and technical or commercial obsolescence, due to changes or improvements in production and changes in market demand for the products produced by these assets. Land is not depreciated.

Estimated useful lives and residual values are as follows:

Useful life	Fresh water	
	Average Years	Residual value ThUS\$
Buildings	14	-
Plant and equipment	5	-
IT equipment	4	-
Fixtures and fittings	6	-

The Company reviews and adjusts if necessary, the useful lives of its assets as of each reporting date, so that remaining useful lives are in line with asset values.

When an asset's value is greater than its estimated recoverable amount, its value is reduced immediately to its recoverable amount by applying impairment testing.

Losses and gains on the sale of property, plant and equipment are calculated by comparing proceeds obtained to the book value (net of depreciation) and are included in the statement of income.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

2. Summary of Significant Accounting Policies, continued

2.9. Intangible assets other than goodwill

a) Water rights

These are water rights associated with the technical projects at fish farms. These rights are indefinite and are not amortized.

b) Computer programs

Licenses for purchased software are capitalized on the basis of the costs incurred to purchase and prepare them to use the specific program. These costs are amortized over their estimated useful lives of 4 years.

Expenses for developing or maintaining computer software are expensed when incurred. Costs directly related to creating unique, identifiable computer software controlled by the Company that is likely to generate financial benefits in excess of its costs for more than one year are recognized as intangible assets. Direct costs include expenses for personnel that develop the software and any expense incurred in its development and maintenance.

2.10. Biological assets

Biological assets of the Atlantic salmon species such as spawning fish, fry, smolts, small farmed fish, and eggs are measured at fair value less estimated costs at the point of sale, except when fair value cannot be determined reliably according to the definitions contained in IAS 41, for the above, the search for an active market for these assets must be considered in the first instance.

The direct and indirect costs incurred in the production process are part of the value of the biological asset through its activation.

Benchmark Chile SpA is currently on the first steps of production of broodstocks (most of the biomass of the company are eggs and fry), expecting to have the first spawn during 2021-2022 season, therefore, biological assets are valued at cost.

2.11. Current and deferred income tax

Deferred income tax is determined using tax rates contained in laws that have been enacted or substantially enacted in each operating country by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred taxes arising from the initial recognition of an asset or liability in a transaction other than a business combination that does not affect the accounting result or the tax base at the time of recognition are not recognized.

Deferred tax assets are recorded when it is deemed probable the entity will obtain sufficient future taxable profit or there are deferred tax liabilities in amounts sufficient to offset them.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

2. Summary of Significant Accounting Policies, continued

2.12. Finance cost

If applicable, finance costs incurred for the construction of any qualifying asset must be capitalized during the time period necessary to complete and prepare the asset for the intended use. Other finance costs, other than the abovementioned, are recorded in the income statement.

During the periods comprised in these financial statements, no interest capitalizations were performed, given that there are no constructions of qualifying assets.

2.13. Impairment of non-financial assets

The Company assesses annually whether there is evidence of impaired non-current assets. If so, the Company estimates the recoverable amount of the impaired asset. If it is not possible to estimate the recoverable amount of impaired assets individually, the recoverable amount of the cash-generating unit the asset belongs to is estimated.

2.14. Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position

At the end of the year the Company recognized right to use assets on the financial statements.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

2. Summary of Significant Accounting Policies, continued

2.15. Contingent liabilities and provisions

Provisions are recognized when: (i) the Company has a present obligation, either legal or constructive, as a result of past events; (ii) it is probable that an outflow of resources will be required to settle the obligation and (iii) the amount has been estimated reliably. The amounts recognized as provision are the Management's best estimate as of the closing date of the financial statements, as well as the disbursements necessary to settle the obligation.

2.16. Share capital

The share capital is represented by ordinary shares.

2.17. Dividends

The company administrator may annually capitalize profits not distributed as dividends, for the purpose of financing the ordinary management of the company or for specific purposes that previously determine two thirds of the issued shares.

Dividends will be paid exclusively from the net profits of the year or withheld from balances approved by the general meeting of shareholders. However, if the company has accumulated losses, the profits for the year will be used primarily to absorb them and if a balance sheet results in losses, these will be with retained earnings that exist.

2.18. Classification of current and non-current balances

Balances recognized in the statement of financial position are classified based on their maturities and estimated realization term; as current where maturity is equal to or lower than twelve months starting from the reporting date, and as non-current when exceeding that period.

2.19. Environment

In general, the disbursements relating to the improvement of productive processes for the environmental care and protection are accounted for as expense in the period in which they are incurred.

2.20. Statement of cash flows

The statement of cash flows recognizes movements in cash and cash equivalents during the period, determined using the indirect method. The following definitions are applied in preparing statements of cash flows:

- Cash flows: Cash and cash equivalents inflows and outflows, i.e., highly liquid short-term investments and low risk of changes in value.
- Operating activities: Are the principal revenue-producing activities usually conducted by the Company and other activities that are not investing or financing activities.
- Investing activities: Correspond to acquisition, disposal or sale activities by other means of long-term assets and other investments not included in cash and cash equivalents.
- Financing activities: Activities that generate changes in the size and composition of net equity and financial liabilities.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

3. Critical Accounting Estimates and Judgments

Accounting estimates and assumptions are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are considered reasonable in the circumstances.

The Company prepare estimates and assumptions regarding the future. Estimates and assumptions that have a significant risk of causing material changes in assets and liabilities are presented below.

a) Biological assets

IAS 41 presumes that fair value can be reliably measured for most biological assets. However, that presumption can be rebutted for a biological asset that, at the time it is initially recognized, does not have a quoted market price in an active market and for which alternative fair value measurements are determined to be clearly unreliable. In such a case, the asset is measured at cost less accumulated depreciation and impairment losses.

Benchmark Chile SpA has not enough information related to sales prices and production results to calculate fair value for the biomass currently in stock. In 2021 the first year class will spawn and the company will be able to sell their first egg production to the Chilean market. For these reasons, the biological assets are valued at cost.

In the future when fair value becomes reliably measurable, a switch to fair value less costs to sell will be used to value biological assets.

b) Asset impairment

The Company annually evaluates asset impairment based on each cash generating unit (CGU) in accordance with IAS 36. The assets included in this evaluation are property, plant and equipment, and intangible assets other than goodwill. As some intangible assets have an indefinite useful life, the Company evaluates evidence of their impairment at each reporting date.

Therefore, as there is no active market to calculate the fair value of these assets, the Company uses the value in use method to evaluate evidence of impairment.

Evidence of impairment on the assets included in cash generating units (CGU) has been evaluated. Property, plant and equipment and intangible assets.

The Company cash-generating unit is marketing salmon and trout, according to its business model.

The Company has used a cash flow forecasting model to calculate the value in use of its assets, based on the following assumptions.

- i. Three-year evaluation horizon. Investments in the industry are long-term, which means that a horizon below 3 years would not represent the Company's situation.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

3. Critical Accounting Estimates and Judgments, continued

b) Asset impairment, continued

- ii. Forecast cash flows. Cash flows used in the methodology are based on budget data, best estimates and reasonable and substantiated assumptions that represent Management's best estimates, taking into account the prevailing economic conditions during the remaining useful life of the evaluated assets. The most important assumptions are:
 - ii.1. Sales and production forecast for the next 3 years.
 - ii.2. Forecast cash flows do not include any residual asset value at the end of the third year.

Cash flow forecasts are brought to present value using a discount rate that reflects the time value of money and the risks specific to the asset. The Weighted Average Cost of Capital (WACC) rate is used, calculated on the basis of the following variables: The Company or industry beta; the risk-free rate of return; the market rate of return; the cost of the Company's financial debt; and the long-term target debt/equity ratio.

As a result of this evaluation, no evidence was found of impairment of the assets included in the CGU (property, plant and equipment and intangible assets).

4. Financial Risk Management

The Company believes that a balanced behavior between opportunities and risks is an important factor in a system of sustainable management oriented to value. This philosophy is demonstrated when taking advantageous measures which are useful to protect and improve the Company's competence.

The purpose of risk management is to detect existing risks early and consistently, assess them and provide a relevant decision along with information over the risk. The risk assessment is based on a short, medium and long-term frame.

The main financial risk detected are:

i. Credit risk

Risk of investments of cash surpluses: The quality of the financial institutions Benchmark Chile SpA operates with and the type of financial products in which said investments take place defines a low risk policy for the Company.

ii. Liquidity risk

The liquidity risk arises from the likelihood of mismatch between the need of funds (relating to operating and financial expenses, investments in assets, debt maturities and committed dividends) and the sources (proceeds from redemption of marketable securities or financial investments, collection of customer accounts, and the financing with financial entities). The Company has a prudent liquidity risk management policy by maintaining sufficient cash and marketable securities and seeking to maintain the due availability of funds in banks.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

4. Financial Risk Management, continued

iii. Market risk

- a) Foreign exchange risk: The exchange rates can affect the performance of Benchmark Chile SpA, since a part of its costs (labor and other services such as overland transport) are indexed to the Chilean peso, and its sales are chiefly denominated in foreign currencies, such as the United States dollar and, to a lesser extent, in peso. Furthermore, given that the Company reports its balance sheets in dollars, changes in the strength of the dollar against the rest of the currencies in which the Company operates can have negative or positive effects on its financial results. In general, the policy with regard to financial liabilities, is to keep them matched with the sales income in United States dollars.
- b) Interest rate risk: The fluctuation in the interest rates modifies the future cash flows of the assets and liabilities indexed to a variable interest rate.

Benchmark Chile SpA has exposure to the interest rate risk because its financing is composed of a rate that varies according Libor rate. A follow-up up is usually made of the terms and conditions of these loans and the convenience of taking out interest rate insurance is assessed which, according to the market conditions, can be carried out when deemed convenient.

iv. Impacts of Covid-19

Due to the COVID-19 pandemic, our business, the financial situation and the results of operations have not been significantly affected during 2020 since they have not been restricted from operation, this as decreed by the country's health authorities , which indicate the activities of Benchmark Chile SpA, is considered as part of the essential services that can operate during the restrictions imposed in the pandemic.

5. Cash and Cash Equivalents

As of September 30, 2020, this item is detailed as follows:

	09-30-2020 ThUS\$
Class of cash and cash equivalents	
Balances in the Chilean ITAU bank	19
Balances in the Chilean BICE bank	76
Total cash and cash equivalents	95
	09-30-2020 ThUS\$
Cash and cash equivalents by type of currency	
ITAU bank (Ch\$)	11
BICE bank (US\$)	35
BICE bank (Ch\$)	40
Fix term deposit (Ch\$)	9
Total cash and cash equivalents	95

There are no legal restrictions over cash and cash equivalents.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

6. Financial Instruments

Financial instruments by category As of September 30, 2020	Financial assets measured at amortized cost ThUS\$	Financial assets at fair value through other comprehensive income. ThUS\$	Assets at fair value through profit or loss ThUS\$	Total ThUS\$
Cash and cash equivalents	86	-	9	95
Trade and other receivables	751	-	-	751
Total	837	-	9	846

As of September 30, 2020, the company does not present balances of financial instruments.

7. Significant Balances and Transactions with Related Parties

Transactions with related parties correspond to customary operations as to their purpose. These are performed under market conditions in which concerns price and payment. There are no estimates of doubtful accounts which rebate balances receivable, nor are there related guarantees.

a) Related party payables, current:

Company	Tax No.	Country of origin	Relationship	Currency	09-30-2020 ThUS\$
Benchmark Genetics Limited	-	UK	Shareholder	Dollar	3,932
Stofnfiskur hf	-	Island	Common shareholder	Dollar	44
Total					3,976

b) Relevant transactions with related parties:

Company	Transaction	Currency	Amount ThUS\$	Effect on income ThUS\$
Stofnfiskur hf	Eggs purchase	Dollar	(55)	-
Stofnfiskur hf	Expenses	Dollar	1	1
Benchmark Genetics Norway AS	Technical services	Dollar	(64)	(64)
Benchmark Genetics Limited	Interest	Dollar	10	10
Benchmark Genetics Limited	Loan [1]	Dollar	(3,190)	-
Total			(3,298)	(53)

[1] Loan from Benchmark Genetics Limited, at an interest rate of USD Libor 3 month plus 2% margin.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

8. Property, Plant and Equipment

Property, plant and equipment and its movements during the years ended September 30, 2020 are as follows:

a) Property, plant and equipment, net

	09-30-2020 ThUS\$
Land	1,530
Buildings	832
Machines and equipment	2,670
Assets under construction	242
Right of use assets	6,147
Others	10
Total	<u>11,431</u>

b) Property, plant and equipment, gross

	09-30-2020 ThUS\$
Land	1,530
Buildings	865
Machines and equipment	2,785
Assets under construction	242
Right of use assets	6,264
Others	12
Total	<u>11,698</u>

c) Accumulated depreciation of property, plant and equipment

	09-30-2020 ThUS\$
Buildings	(33)
Machines and equipment	(115)
Right of use assets	(117)
Others	(2)
Total	<u>(267)</u>

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

8. Property, Plant and Equipment, continued

d) Movement of the different classes of property, plant and equipment at the end of the period:

	Land ThUS\$	Buildings net ThUS\$	Machines and equipment net ThUS\$	Right of use assets net ThUS\$	Others net ThUS\$	Assets under construction ThUS\$	Total PPE, net ThUS\$
Opening balances as of January 1, 2020	1,530	839	1,442	-	8	282	4,101
Transfers	-	-	40	-	-	(40)	-
Additions	-	14	1,303	6,264	4	-	7,585
Depreciation	-	(21)	(114)	(117)	(2)	-	(255)
Closing balances as of September 30, 2020	1,530	832	2,670	6,147	10	242	11,431

e) Depreciation method

Depreciation is calculated on a straight-line basis over the respective useful life of the asset. This useful life is based on natural expected impairment and technical or commercial obsolescence, due to changes or improvements in production and changes in market demand for the products produced by these assets. Depreciation related to production area is activated to biological assets and depreciation from assets used by administration area is shown on P&L.

f) Useful lives and depreciation rates

Estimated useful lives by asset class are as follows:

	Fresh water Useful life Average (years)
Buildings	14
Plant and equipment	5
IT equipment	4
Fixtures and fittings	6
Right of use assets	4

The residual value and useful life of assets are reviewed and adjusted if needed at each reporting date.

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

9. Intangible Assets Other Than Goodwill

Non-internally created intangible assets are as follows.

	Useful life	09-30-2020 ThUS\$
Water rights	Indefinite	964
Computer licenses	4 years	12
Total		<u>976</u>

a) Aquaculture concessions and water rights

The Company has concession requests progressing through various legal stages. The acquisition of these requests in progress has resulted in payments related to compliance with the various stages in the process.

10. Biological Assets

Biological assets at the Company are composed of fish in seawater, and eggs, fry and smolts. The biological assets that management deems will be harvested during the course of the next 12 months are classified as current biological assets.

Movements in biological assets for the period ended September 30, 2020 are as follows:

	09-30-2020 ThUS\$
Opening biological assets	1,627
Increase from fattening and production	2,202
Decrease due to sales (at cost)	(12)
Decrease due to productive disposal	(327)
Decrease for impairment test	(793)
Closing biological assets	<u>2,697</u>

	09-30-2020 ThUS\$
Current	899
Non-current	1,798
Total biological assets	<u>2,697</u>

A quantitative summary of biological assets as of September 30, 2020 is as follows.

a) Fresh water

	09-30-2020 Units
Fresh water	
Eggs	286,512
Fry	186,188
Broodstock	23,297
Total Freshwater	<u>495,997</u>

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

10. Biological Assets, continued

IAS 41 presumes that fair value can be reliably measured for most biological assets. However, that presumption can be rebutted for a biological asset that, at the time it is initially recognized, does not have a quoted market price in an active market and for which alternative fair value measurements are determined to be clearly unreliable. In such a case, the asset is measured at cost less accumulated depreciation and impairment losses.

Benchmark Chile SpA has not enough information related to sales prices and production results to calculate fair value for the biomass currently in stock. In 2021 the first year class will spawn and the company will be able to sell their first egg production to the Chilean market. For these reasons, the biological assets are valued at cost.

In the future when fair value becomes reliably measurable, a switch to fair value less costs to sell will be used to value biological assets.

11. Current Income Tax and Deferred Taxes

Deferred taxes represent the amount of taxes over profit that Benchmark Chile SpA will have to pay (liabilities) or receive (assets) in future years, related to temporary differences between the tax base and the accounting amount in books of certain assets and liabilities.

For the Company, the main deferred tax asset are the tax losses, receivable in future years

a) Deferred tax assets and liabilities are detailed as follows:

	Deferred tax assets ThUS\$	Deferred tax liabilities ThUS\$
Tax loss	648	-
Intangibles	-	10
Indirect cost	-	313
Property, plant and equipment	-	107
Provisions	15	-
Biological assets (Impairment)	57	-
Financial costs, related companies	137	-
Total	857	430
Net total	427	-

b) The movement of deferred tax assets is as follows:

	09-30-2020 ThUS\$
Opening balance	78
Tax loss	(289)
Tax gain	638
Closing balance	427

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

11. Current Income Tax and Deferred Taxes, continued

c) Income tax effect on income is as follows:

	09-30-2020 ThUS\$
Effect of deferred tax	348
Total	<u>348</u>

The reconciliation between the income tax credit using the statutory rate and the tax credit is as follows:

	09-30-2020 ThUS\$
Profit/(Loss) before tax	(1,599)
Statutory tax rate	27%
Income tax credit using the statutory rate	<u>432</u>
Other	<u>(84)</u>
Income tax Credit	<u>348</u>

12. Trade and Other Payables

Trade and other payables correspond to domestic suppliers and other liabilities detailed below:

	09-30-2020 ThUS\$
Payable documents	448
Total	<u>448</u>

13. Financial Liabilities

Right of use assets

	Current 09-30-2020 ThUS\$	Non-current 09-30-2020 ThUS\$	Total 09-30-2020 ThUS\$
Curacalco Site	898	4,880	5,778
Company cars	28	24	52
Office rental (Puerto Varas)	11	-	11
Total	<u>937</u>	<u>4,904</u>	<u>5,841</u>

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

14. Equity

a) Capital

As of September 30, 2020, capital amounts to US\$ 13,751,576, consisting of 8,703,532 shares, subscribed. Capital paid as of September 2020 is an amount of US\$ 8,250,000. The company has issued only ordinary, one-series shares, which have the same voting rights.

Series	Capital subscribed ThUS\$	Capital paid ThUS\$
Capital	13,752	8,250
Total	13,572	8,250

The main goal when managing the shareholders' capital is to keep an investment without risk, forecasting a budgeted profitability.

b) Shareholding structure

The shareholding structure as of September 30, 2020, is as follows:

	%	Number of shares
Benchmark Genetics Limited	100%	8,703,532
Total	100%	8,703,532

c) Retained earnings

The Retained earnings structure as of September 30, 2020, is as follows:

	Retained earnings ThUS\$
Opening balance as of January 1, 2020	(903)
Loss for the year	(1,251)
Closing balance as of September 30, 2020	(2,154)

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

15. Administration Expenses

As of September 30, 2020, the detail is as follows:

	09-30-2020 ThUS\$
Administration expenses	
Staff remuneration	(278)
Motor travel& entertainment	(8)
Office expenses	(60)
Repairs and maintenance	(1)
Advertising and marketing	(4)
Legal and professional	(102)
R&D expenses	(403)
Total	<u>(856)</u>

16. Other Expenses

As of September 30, 2020, the detail is as follows

	09-30-2020 ThUS\$
Other expenses	
Penalties	(4)
Contributions and donations	(1)
Productive disposal	(327)
Impairment test – Biological assets	(213)
Total	<u>(545)</u>

17. Finance Expense

As of September 30, 2020, the detail is as follows

	09-30-2020 ThUS\$
Finance expense	
Lease interest (IFRS 16)	(302)
Total	<u>(302)</u>

BENCHMARK CHILE SPA

Notes to the Financial Statements
as of September 30, 2020

18. Contingencies, Commitments and Guarantees

As of September 30, 2020, the company has the following commitments:

- Pledge without displacement on money dated September 17, 2019 with a union of international banks, whose collateral agent is Nortic Trustee AS.
- Pledges without displacement over Inventory and Fixed assets dated September 15, 2020 with a union of international banks, whose collateral agent is Nortic Trustee AS
- Mortgage over Land and Water rights from Ensenada dated September 15, 2020 with a union of international banks, whose collateral agent is Nortic Trustee AS.

19. Environment

No investments have been made regarding this item during the period.

20. Events after the Reporting Period

Between September 30, 2020 and the date of issuance of these financial statements, no other events of financial or other nature have occurred that might significantly affect their interpretation.

Årsregnskap 2019

Benchmark Genetics Norway AS

Styrets beretning
Resultatregnskap
Balanse
Kontantstrømanalyse
Noter til regnskapet
Revisors beretning

Org. nr.: 983 506 925



Benchmark
SalmoBreed

STYRETS BERETNING FOR 2019

Org.nr. 983 506 925

Virksomhetens art og hvor den drives:

Benchmark Genetics Norway AS sin hovedoppgave er utvikling, produksjon og omsetning av genetisk foredlet materiale for bruk i oppdrett, levering av spesialiserte avlstjenester til nasjonal og internasjonal akvakultur, samt annen akvakultur relatert virksomhet.

SalmoBreed AS har i løpet av regnskapsåret fusjonert med søsterselskapet Akvaforsk Genetics Center AS til fusjonerte selskapet Benchmark Genetics Norway AS.

Virksomheten til Benchmark Genetics Norway AS ledes fra Bergen med avdelingskontorer på Sunndalsøra og Ås. Benchmark Genetics Norway AS eier ca 75% av datterselskapet SalmoBreed Salten AS i Sørfold kommune og et avlssenter for laks i Lønningdal i Os kommune. Det avlagte regnskap og beretning gjelder for perioden 01.10.18 – 30.09.19.

Benchmark Genetics Norway AS har gjennom året tatt i bruk et nytt stamfiskanlegg i Sørfold kommune i Nordland gjennom datterselskapet SalmoBreed Salten AS. Benchmark Genetics Norway AS eier 2 FoU konsesjoner for oppdrett av laks. Disse drives i samarbeid med norske oppdrettsbedrifter.

Selskapets stilling:

Selskapet er en aktiv og kunnskapsbasert leverandør av lakserogn og avlstjenester. Samspillet mellom produsenter, fagmiljø og markedsavdelingen har utviklet seg positivt gjennom 2019. Selskapet forventer en fortsatt utvikling mot stadig mer avanserte produkter som vil gi høyere marginer. Landbasert rognproduksjon vil også gi grunnlag for økt verdiskapning i årene fremover. Sammen med nye store inngåtte genetikkavtaler vil dette gi grunnlag for økt omsetning og inntjening.

Forskning og utvikling:

Benchmark Genetics Norway AS er alene og sammen med samarbeidspartnere involvert i et betydelig antall forsknings- og utviklingsprosjekter som er rettet inn mot å styrke konsernets avlsmateriale, både for laks, reke, tilapia og andre arter. Selskapet er en attraktiv partner i ulike FoU-prosjekter. FoU kostnadsføres fortløpende.

Fortsatt drift:

I samsvar med regnskapsloven §3-3a bekreftes det at forutsetningene om fortsatt drift er til stede. Til grunn for antakelsen ligger balansen pr. 30.09.19 og budsjett for 2020 samt selskapets langsiktige strategiske prognoser for årene fremover.



Benchmark
SalmoBreed

Regnskap for 2019:

Årsregnskapet viser et resultat før skattekostnad på NOK 18.742.108. Egenkapitalen pr. 30.09.19 er på 49.350.448 NOK. Dette utgjør 17,7 % av totalkapitalen.

Bedriften har ingen ekstern finansiering. All gjeld er til konsernselskaper. Selskapets aksjer er pantsatt i forbindelse med obligasjonslånet i Benchmark Holdings plc.

Bedriften har risiko knyttet til markedsprisen på rogn, rentenivå på interne lån og i beskjednen grad valutarisiko på salg av rogn til andre land. I tillegg er bedriften eksponert for endringer i lakseprisen som følge av inntekter fra FoU konsesjoner.

Arbeidsmiljø:

Arbeidsmiljøet ansees som godt og sykefraværet er svært lavt 2,48%, hvorav langtidssykemeldt utgjør 2%. Det har heller ikke forekommet skader eller ulykker på arbeidsplassen.

Likestilling:

Selskapet har pr. 30.09.19 32,5 fast ansatte hvorav 10 kvinner. Selskapet skiller ikke mellom kjønn i ansettelser men legger vekt på kompetanse, erfaring, referanser og omgjengelighet.

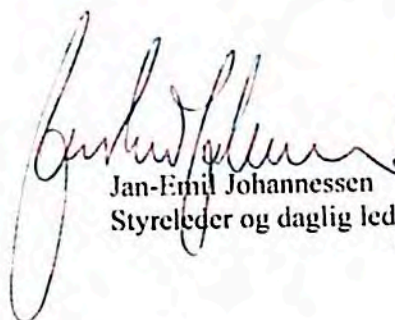
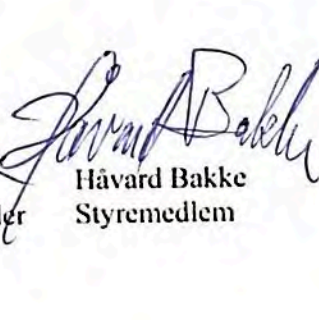
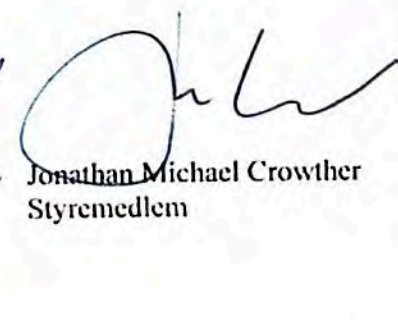
Ytre miljø:

Virksomheten driver innenfor gjeldende lover og regler. Driften medfører ikke forurensing eller utslipp som kan være til skade for det ytre miljø.

Hendelser etter regnskapsårets slutt:

Ingen vesentlige hendelser etter regnskapsårets slutt.

Bergen, 20. mars 2020

		
Jan-Emil Johannessen Styreleder og daglig leder	Håvard Bakke Styremedlem	Jonathan Michael Crowther Styremedlem

RESULTATREGNSKAP

Benchmark Genetics Norway AS

DRIFTSINTEKTER OG DRIFTSKOSTNADER	Note	2019	2018
Salgsinntekt	14	235 080 621	173 141 820
Annen driftsinntekt		2 110 663	998 067
Sum driftsinntekter	11	237 191 284	174 139 887
Varekostnad	14	149 173 927	131 174 833
Lønnskostnad	9, 12	33 516 380	18 694 023
Avskrivning av driftsmidler og immaterielle eiendeler	1	2 327 314	2 108 846
Nedskrivning av anleggsmidler	1	1 189 151	0
Annen driftskostnad	12, 14	28 001 829	16 614 056
Sum driftskostnader		214 208 601	168 591 758
Driftsresultat		22 982 683	5 548 129
FINANSINTEKTER OG FINANSKOSTNADER			
Annen renteinntekt		2 035 705	872 956
Annen finansinntekt		533 573	730 634
Annen rentekostnad		6 515 234	4 689 815
Annen finanskostnad		294 619	1 288 530
Resultat av finansposter	16 -	4 240 575 -	4 374 755
Ordinært resultat før skattekostnad		18 742 108	1 173 374
Skattekostnad på ordinært resultat	10	3 772 502 -	36 297
Ordinært resultat		14 969 606	1 209 671
Årsresultat		14 969 606	1 209 671
OVERFØRINGER			
Mottatt konsernbidrag		0	0
Avsatt konsernbidrag		0	0
Overført til annen egenkapital		14 969 606	1 209 671
Sum overføringer	7	14 969 606	1 209 671

BALANSE

Benchmark Genetics Norway AS


EIENDELER	Note	2019	2018
ANLEGGSMIDLER			
IMMATERIELLE EIENDELER			
Forskning og utvikling	1	4 635	0
Utsatt skattefordel	10	865 244	0
Sum immateriell eiendeler		869 879	0
VARIGE DRIFTSMIDLER			
Tomter, bygninger o.a. fast eiendom		7 233 671	7 455 224
Maskiner		9 564 545	11 610 661
Driftsløsøre, inventar o.a. utstyr		180 262	227 218
Sum varige driftsmidler	1	16 978 478	19 293 102
FINANSIELLE ANLEGGSMIDLER			
Investeringer i datterselskap	2	112 584 000	112 584 000
Lån til foretak i samme konsern	13	64 000 000	55 000 000
Investering i felleskontrollert virksomhet	2	26 304 350	26 304 350
Investeringer i aksjer og andeler	3	273 222	265 722
Andre langsiktige fordringer		10 000	7 000
Sum finansielle anleggsmidler		203 171 572	194 161 072
Sum anleggsmidler		221 019 929	213 454 174
OMLØPSMIDLER			
Lager av varer og annen beholdning	4	4 067 717	2 876 609
FORDRINGER			
Kundefordringer	5, 13	30 474 171	17 751 532
Andre kortsiktige fordringer		13 911 208	9 630 209
Fordring på selskap i samme konsern	13	-	216 000
Sum fordringer		44 385 379	27 597 741
Bankinnskudd, kontanter o.l.	6, 17	8 691 959	5 966 079
Sum omløpsmidler		57 145 055	36 440 429
Sum Eiendeler	15	278 164 984	249 894 603

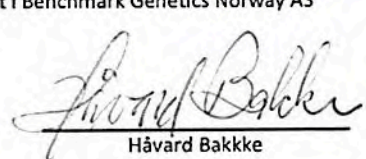
BALANSE

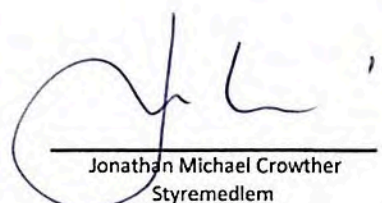
Benchmark Genetics Norway AS

	Note	2019	2018
EGENKAPITAL OG GJELD			
INNSKUTT EGENKAPITAL			
Aksjekapital	7, 8	9 000 000	9 000 000
Overkurs	7	3 092 202	
Sum innskutt egenkapital		12 092 202	9 000 000
OPPTJENT EGENKAPITAL			
Annen egenkapital	7	37 258 246	17 432 862
Sum opptjent egenkapital		37 258 246	17 432 862
Sum egenkapital		49 350 448	26 432 862
GJELD			
AVSETNING FOR FORPLIKTELSE			
Pensjonsforpliktelser	9	2 938 088	
Utsatt skatt	10	-	384 193
Gjeld til selskap i samme konsern	13	153 595 180	180 453 285
Sum annen langsiktig gjeld		153 595 180	180 453 285
KORTSIKTIG GJELD			
Leverandørgjeld	13	18 883 851	17 264 371
Betalbar skatt	10	5 601 865	162 127
Skyldig offentlige avgifter		8 386 236	4 478 309
Gjeld til selskap i samme konsern	13	29 182 005	16 705 243
Annen kortsiktig gjeld		10 227 311	4 014 213
Sum kortsiktig gjeld		72 281 268	42 624 263
Sum gjeld		228 814 536	223 461 741
Sum egenkapital og gjeld		278 164 984	249 894 603

Bergen, 20/3-20
Styret i Benchmark Genetics Norway AS


Jan-Emil Johannessen
Styreleder/daglig leder


Håvard Bakke
Styremedlem


Jonathan Michael Crowther
Styremedlem

Kontantstrømanalyse

(NRS - Indirekte modell)

	Årets tall	Fjorårets tall
Kontantstrømmer fra operasjonelle aktiviteter		
Resultat før skattekostnad	18 742 107	1 173 374
- Periodens betalte skatter		0
+/- (Gevinst)/tap ved salg av driftsmidler	20 000	-942
+ Ordinære avskrivninger	2 327 314	2 108 846
+ Nedskrivninger	1 189 151	0
+/- Endring i varelager	-1 191 108	5 456 291
+/- Endring i kundefordringer	-12 722 639	1 199 174
+/- Endring i leverandørgjeld	905 505	-5 612 452
+/- Regnskapsført, ikke mottatt konsernbidrag	0	0
+/- Poster klassifisert som inv/fin.aktiviteter	0	0
+/- Endring i andre tidsavgrensningsposter	12 644 601	-8 398 589
= Netto kontantstrøm fra operasjonelle aktiviteter	21 914 931	-4 074 298
Kontantstrømmer fra investeringsaktiviteter		
+ Innbetalinger ved salg av varige driftsmidler	80 000	15 232
- Utbetalinger ved kjøp av varige driftsmidler	-1 199 911	-1 053 214
+ Innbetalinger ved salg av aksjer og andeler	0	0
+ Innbetalinger ved salg av andre investeringer	0	1 096 589
- Utbetaling ved kjøp av aksjer og andeler	-10 500	0
- Utbetalinger ved kjøp av andre investeringer	-9 000 000	-43 500 000
= Netto kontantstrøm fra investeringsaktiviteter	-10 130 411	-43 441 393
Kontantstrømmer fra finansieringsaktiviteter		
+ Innbetalinger ved opptak av ny langsiktig gjeld	0	0
+ Innbetalinger ved opptak av ny kortsiktig gjeld	12 709 303	42 966 470
- Utbetaling ved nedbetaling av langsiktig gjeld	-26 858 105	0
- Utbetaling ved nedbetaling av kortsiktig gjeld	216 000	0
+ Innbetaling egenkapital	0	0
= Netto kontantstrøm fra finansieringsaktiviteter	-13 932 802	42 966 470
+ Tilgang bank som følge av fusjon	4 874 161	0
= Netto endring i kontanter og kontantekvivalenter	2 725 879	-4 549 221
+ Beholdning av kontanter og kontantekvivalenter ved periodens begynnelse	5 966 077	10 515 298
= Beholdning av kontanter og kontantekvivalenter ved periodens slutt	8 691 956	5 966 077

Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapsloven og god regnskapsskikk.

Bruk av estimater

Utarbeidelse av regnskap i samsvar med regnskapsloven krever bruk av estimater. Videre krever anvendelse av selskapets regnskapsprinsipper at ledelsen må utøve skjønn. Områder som i stor grad inneholder slike skjønnsmessige vurderinger, høy grad av kompleksitet, eller områder hvor forutsetninger og estimater er vesentlige for årsregnskapet, er beskrevet i notene.

Driftinntekter

Inntekter ved salg av varer og tjenester vurderes til virkelig verdi av vederlaget, netto etter tradrag for merverdiavgift, returer, rabatter og andre avslag. Salg av varer resultatføres når selskapet har levert sine produkter til kunden og det ikke er uoppfylte forpliktelser som kan påvirke kundens aksept av leveringen. Levering er ikke foretatt før produktene er sendt til avtalt sted og risiko for tap og ukurans er overført til kunden. Erfaringstall anvendes for å estimere og regnskapsføre avsetninger for kvantumsrabatter og retur på Tjenester inntektsføres i takt med utførelsen.

Klassifisering av balanseposter

Eiendeler bestemt til varig eie eller bruk klassifiseres som anleggsmidler. Eiendeler som er tilknyttet varekretsløpet klassifiseres som omløpsmidler. Fordringer for øvrig klassifiseres som omløpsmidler hvis de skal tilbakebetales innen ett år. For gjeld legges analoge kriterier til grunn. Første års avdrag på langsiktige fordringer og langsiktig gjeld klassifiseres likevel ikke som omløpsmiddel og kortsiktig gjeld.

Anskaffelseskost

Anskaffelseskost for eiendeler omfatter kjøpesummen, med fradrag for bonuser, rabatter og lignende, og med tillegg for kjøpsutgifter (frakt, toll, offentlige avgifter som ikke refunderes og andre direkte kjøpsutgifter). Ved kjøp i utenlandsk valuta balanseføres eiendelen til kursen på transaksjonstidspunktet. For varige driftsmidler og immaterielle eiendeler omfatter anskaffelseskost også direkte utgifter for å klargjøre eiendelen for bruk, for eksempel utgifter til testing av eiendelen. Renter knyttet til tilvirkning av anleggsmidler kostnadsføres.

Immaterielle eiendeler

Utgifter til egne utviklingsaktiviteter kostnadsføres løpende.

Utgifter til andre immaterielle eiendeler balanseføres i den grad det kan identifiseres en fremtidig økonomisk fordel knyttet til utvikling av en identifiserbar immateriell eiendel og utgiftene kan måles pålitelig. I motsatt fall kostnadsføres slike utgifter løpende. Balanseført utvikling avskrives lineært over økonomisk levetid.

Varige driftsmidler

driftsmidlenes forventede utnyttbare levetid. Ved endring i avskrivningsplan fordeles virkningen over gjenværende avskrivningstid ("knøkkpunktmetoden"). Vedlikehold av driftsmidler kostnadsføres løpende som driftskostnader. Påkostninger og forbedringer tillegges driftsmidlets kostpris og avskrives i takt med driftsmidlet. Skillet mellom vedlikehold og påkostning/forbedring regnes i forhold til driftsmidlets stand på Leide (leasede) driftsmidler balanseføres som driftsmidler hvis leiekontrakten anses som finansiell.

Investeringer i andre selskaper

investeringer i andre selskaper. Kostprisen økes når midler tilføres ved kapitalutvidelse, eller når det gis konsernbidrag til datterselskap. Mottatte utdelinger resultatføres i utgangspunktet som inntekt. Utdelinger som overstiger andel av opptjent egenkapital etter kjøpet føres som reduksjon av anskaffelseskost. Utbytte/konsernbidrag fra datterselskap regnskapsføres det samme året som datterselskapet avsetter beløpet.

Nedskrivning av anleggsmidler

verdifall. Testen foretas for det laveste nivå av anleggsmidler som har selvstendige kontantstrømmer. Hvis balanseført verdi er høyere enn både salgsverdi og gjenvinnbart beløp (nåverdi ved fortsatt bruk/eie), foretas det nedskrivning til det høyeste av salgsverdi og gjenvinnbart beløp.

nedskrivningen ikke lenger er til stede.

Varelager

ferdige varer og varer under tilvirkning er vurdert til full tilvirkningskostnad. Det foretas nedskrivning for påregnelig ukurans. Virkelig verdi er estimert salgpris fratrukket utgifter til ferdigstillelse og salg.

Fordringer

grunnlag av individuell vurdering av fordringene og en tilleggsavsetning som skal dekke øvrige påregnelige tap. Vesentlige økonomiske problemer hos kunden, sannsynligheten for at kunden vil gå konkurs eller gjennomgå økonomisk restrukturering og utsettelse og mangler ved betalinger anses som indikatorer på at verdi. Virkelig verdi er nåverdien av forventede framtidige innbetalinger. Det foretas likevel ikke neddiskontering når effekten av neddiskontering er uvesentlig for regnskapet. Avsetning til tap vurderes på samme måte som for kundefordringer.

Investeringer i børsnoterte aksjer

tilsvarer markedsverdien av investeringene pr. 31.12. Mottatt utbytte, og realiserte og urealiserte gevinster/ tap, resultatføres som finansposter.

Utenlandsk valuta

Fordringer og gjeld i utenlandsk valuta vurderes etter kursen ved regnskapsårets slutt. Kursgevinster og kurstap knyttet til varesalg og varekjøp i utenlandsk valuta føres som salgsinntekter og varekostnad.

Gjeld

Gjeld, med unntak for enkelte avsetninger for forpliktelser, balanseføres til nominelt gjeldsbeløp.

Pensjoner

Selskapet har innskuddsbasert pensjonsordning. Pensjonspremien er klassifisert som lønnskostnad

Innskuddsplaner

betalingsforpliktelse etter at innskuddene er betalt. Innskuddene regnskapsføres som lønnskostnad. Eventuelle forskuddsbetalte innskudd balanseføres som eiendel (pensjonsmidler) i den grad innskuddet kan refunderes eller redusere framtidige innbetalinger.

Skatt

skatt beregnes med aktuell skattesats på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt eventuelt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode er utlignet. Oppføring av utsatt skattefordel på netto skattereduserende forskjeller som ikke er utlignet og underskudd til fremføring, begrunnes med antatt fremtidig inntjening. Utsatt kostpris eller direkte mot egenkapitalen, føres direkte mot skatt i balansen (mot betalbar skatt hvis konsernbidraget har virkning på betalbar skatt og mot utsatt skatt hvis konsernbidraget har virkning på utsatt skatt).

Utsatt skatt regnskapsføres til nominelt beløp.

Kontantstrømoppstilling

kontanter, bankinnskudd and andre kortsiktige, likvide plasseringer som umiddelbart og med uvesentlig kursrisiko kan konverteres til kjente kontantbeløp og med gjenværende løpetid mindre enn tre måneder fra anskaffelsesdato.

Konsern

Benchmark Genetics Norway AS, har forretningsadresse i Bergen, Norge, og er 100 % eiet av Benchmark Genetics LTD i England. Konsernets ultimate morselskap er Benchmark Holdings Plc, England.

Fusjon

Selskapet har i løpet av regnskapsåret 2019 vært part i fusjon mellom SalmoBreed AS og søsterselskapet Akvaforsk Genetics Center AS og det fusjonerte selskapet heter Benchmark Genetics Norway AS. Fusjonen er gjennomført med kontinuitet både regnskapsmessig og skattemessig. 2018- tall er ikke omarbeidet.

Note 1 Varige driftsmidler

Varige driftsmidler	Programvare, erhvervet	Bygninger og tomter	Maskiner og anlegg	Driftsløsøre	Sum
Anskaffelseskost 01.10.		8 331 798	14 728 235	1 069 002	24 129 035
Anskaffelseskost 01.10. som følge av fusjon	83 432			205 576	289 008
Tilgang		115 393	1 057 060	27 459	1 199 912
Avgang		-	100 000	-	100 000
Anskaffelseskost pr. 30.09	83 432	8 447 191	15 685 295	1 302 037	25 517 955
Akk. avs/nedskr. pr. 01.10		876 574	3 117 574	841 784	4 835 932
Akk. avs/nedskr. pr. 01.10 som følge av fusjon	50 986			131 458	182 444
+ Ordinære avskrivninger	27 811	336 946	1 814 024	148 533	2 327 314
+ Nedskrivninger			1 189 151		1 189 151
Akk. Av/nedskr. Pr. 30.09	78 797	1 213 520	6 120 749	1 121 775	7 345 690
Balanseført verdi pr. 30.09	4 635	7 233 671	9 564 546	180 262	16 983 114
Forventet økonomisk levetid	3 år	0-50 år	5-10 år	3 år	
Avskrivningsplan	Lineær	Lineær	Lineær	Lineær	

Selskapet har i 2019 vært involvert i fusjon med Akvaforsk Genetics Center AS (org.nr. 981 043 286) der fusjonen ble gjennomført 17.09.2019 med skattemessig kontinuitet og regnskapsmessig virkning fra 01.10.2018. Effekt av fusjon er vist i tabellen over.

Note 2 Investering i datterselskap og felleskontrollert virksomhet

Investeringene i datterselskap og tilknyttet selskap regnskapsføres etter kostmetoden.

Investeringene i felleskontrollert virksomhet regnskapsføres etter kostmetoden

Datterselskap	Forretnings- kontor	Eier-/stemme- andel	Egenkap. Siste år (100%)	Resultat siste år (100%)	Balanseført verdi
Salmobreed Salten AS	Sørfold	74,97 %	127 721 651 -	17 245 062	112 584 000
Balanseført verdi 30.09					112 584 000

Salmobreed Salten AS ble stiftet 13.08.2015. Selskapets regnskapsår er 01.10.18-30.09.19

Felleskontrollert virksomhet	Forretnings- kontor	Eier-/stemme- andel	Bokført verdi Egenkap. Siste år (100%)	Resultat siste år (100%)	Bokført verdi av aksjer
Salmar Genetics AS	Kverva	50 %	41 094 745	3 779 921	26 304 350
Balanseført verdi 30.09.					26 304 350

Salmar Genetics AS ble stiftet 10.10.2016. Selskapets regnskapsår er 01.01.2019-31.12.2019.

Tallene baserer seg på foreløpig og urevidert regnskap for Salmar Genetics per. 30.09.2019

Note 3 Andre langsiktige aksjer og andeler

	Eierandel	Balanseført verdi
Xelect Limited	5,05 %	273 222
Balanseført verdi 30.09.		273 222

Note 4 Biologiske eiendeler

	2019	2018
Ubefruktet rogn/melke	754 317	600 000
Yngel og smolt	3 177 228	2 205 548
Sum	3 931 545	2 805 548

Varebeholdning vurdert til anskaffelseskost	754 317	600 000
Varebeholdning vurdert til full tilvirkningskost	3 177 228	2 205 548
Sum	3 931 545	2 805 548

Note 5 Fordringer

	2019	2018
Kundefordringer		
Kundefordringer til pålydende	32 622 917	18 251 533
Avsetning til tap på kundefordring	- 2 148 746 -	500 000
Kundefordringer i balansen	30 474 171	17 751 533

Note 6 Bundne bankinnskudd

	2019	2018
Bundne bankinnskudd		
Skattetrekksmidler	995 386	584 946

Note 7 Egenkapital

Årets endring i egenkapital	Aksjekapital	Overkurs	Annen egenkapital	Sum
Egenkapital 01.10	9 000 000		17 432 862	26 432 862
Fusjon med Akvaforsk Genetics Center AS		3 092 202	4 855 777	7 947 979
Årets resultat			14 969 606	14 969 606
Mottatt/gitt konsernbidrag				
Egenkapital 30.09.	9 000 000	3 092 202	37 258 246	49 350 448

Selskapet har i 2019 vært involvert i fusjon med Akvaforsk Genetics Center AS (org.nr. 981 043 286) der fusjonen ble gjennomført 17.09.2019 med skattemessig kontinuitet og regnskapsmessig virkning fra 01.10.2018. Akvaforsk Genetics Center AS var søsterselskap når selskapene ble fusjonert. Effekten av fusjon er vist i tabellen over.

Note 8 Aksjekapital og aksjonærinformasjon

Morselskapet Benchmark Genetics Limited er et britisk selskap hjemmehørende i Storbritannia. Morselskapet er eiet av ultimater Benchmark Holdings Plc og konsernregnskap utarbeides på dette nivået. Konsernregnskapet er tilgjengelig på selskapets hjemmeside.

Aksjekapitalen på kr. 9 000 000 består av 90 000 aksjer á kr. 100.

Oversik over aksjonærene 30.09.19

	Antall	Eierandel
Benchmark Genetics Limited	90 000	100 %
Sum	90 000	100 %
Total antall aksjer	90 000	100 %

Note 9 Pensjoner

Selskapets pensjonsordninger tilfredsstiller kravene i lov om obligatorisk tjenestepensjon. Pensjonspremien er regnskapsført som lønnskostnad.

Det innfusjonerte selskapet Akvaforsk Genetics Center AS meldte seg ut av Statens Pensjonskasse med virkning 31.12.2014. Pensjonsforpliktelsen er beregnet til 2 938 088,- som er balanseført. Pensjonsforpliktelsen består i et engangsoppgjør for endelig sluttoppgjør. Pr. 30.09.2019 er det ikke overdekning i ordningen slik at det derfor ikke er fakturert noen reguleringspremie i 2019

Det er to ansatte og to pensjonister som er inkludert i ordningen.

Note 10 - Skattekostnad på ordinært resultat

Spesifikasjon av årets skattegrunnlag	2019	2018	
Resultat før skattekostnad	18 742 108	1 173 370	
Permanente andre forskjeller	-1 809 657	-1 225 635	
Endring i midlertidige forskjeller	2 612 752	757 161	
Anvendt skattemessig frambørbart underskudd		-	
Grunnlag betalbar skatt	19 545 204	704 896	
Ytet konsernbidrag		-	
Inntekt	19 545 204	704 896	
 Spesifikasjon av årets skattekostnad	 2019	 2018	
Beregnet skatt av årets resultat	4 334 105	162 127	
= Sum Betalbar skatt	4 334 105	162 127	
+ endring i utsatt skattefordel (bokført)	-561 603	-198 423	
= Ordinær skattekostnad	3 772 502	-36 296	
 Betalbar skatt i balansen består av:			
Beregnet skatt av årets resultat	4 334 105	162 127	
+/- effekt av skatt på konsernbidrag			
= Betalbar skatt i balansen	4 334 105	162 127	
 Midlertidige forskjeller og balanseført utsatt skatt	 2 019	 2 018	Endring
+ Driftsmidler inkl. goodwill	1 153 903	2 704 777	- 1 550 874
Varelager		-586 869	586 869
Utestående fordringer	-2 148 746	-500 000	- 1 648 746
Netto balanseført pensjonsforpliktelser	-2 938 088	-2 938 088	-
 Sum negative skatteøkende forskjeller	-3 932 931	-1 320 179	-2 612 752
 Grunnlag for beregning av utsatt skatt /skattefordel	-3 932 931	-1 320 179	-2 612 752
 Balanseført skattefordel	-865 245	-303 641	-561 604

Selskapet har i 2019 vært part i en fusjon med Akvaforsk Genetics Center AS. Midlertidige forskjeller som er overtatt i denne fusjonen er innarbeidet i 2018 tallene i denne noten

Note 11 Driftsinntekter

	2019	2018
Driftsinntekter	235 080 621	173 141 818
Andre driftsinntekter	2 110 663	998 067
Sum	237 191 284	174 139 885

Fordeling på virksomhetsområder	2019	2018
Salg av rogn	181 471 504	140 997 637
Salg av smolt og stamfisk	10 644 257	18 874 755
Andre tjenester	26 480 804	7 025 965
Andre	18 594 719	7 241 528
Sum	237 191 284	174 139 885

Geografisk fordeling - driftsinntekt	2019	2018
Norge	210 584 769	155 780 537
EFTA	4 318 199	7 308 052
EU	15 438 162	10 583 600
Utenfor EU	6 850 154	467 696
Sum	237 191 284	174 139 885

Note 12 Lønnskostnader, antall ansatte, godtgjørelser, lån til ansatte mm.

Lønnskostnader	2019	2018
Lønninger	27 522 593	14 730 124
Arbeidsgiver avgift	4 364 686	2 701 546
Pensjonskostnader	1 627 052	831 025
Andre ytelser	2 049	431 328
Sum	33 516 380	18 694 023
Gjennomsnittlig antall årsverk	32,47	21,59

Ytelser til ledende personer

Daglig leder Styret

Lønn/styrehonorar	2 213 272
Andre ytelser	4 392
Bonus	527 181

Det er ikke utbetalt styrehonorar i regnskapsperioden

Det er ikke stilt sikkerhet eller ytt lån til ledende personer i selskapet

Kostnadsført godtgjørelse til revisor	2019	2018
Lovpålagt revisjon (inkl. teknisk bistand med årsregnskap)	511 025	210 000
Attestasjon	50 920	
Andre tjenester		
Sum godtgjørelse til revisor	561 945	210 000

Note 13 Mellomværende med selskap i samme konsern m.v.

	Kundefordringer		Andre fordringer	
	2019	2018	2019	2018
Foretak i samme konsern	531 197	584 007	-	216 000
Datterselskap	2 698 305	1 774 678	64 000 000	55 000 000
Sum	3 229 502	2 358 685	64 000 000	55 216 000

	Øvrig langsiktig gjeld		Leverandørgjeld/Annen kortsiktig gjeld	
	2019	2018	2019	2018
Foretak i samme konsern	153 595 180	180 453 285	34 255 755	29 368 718
Datterselskap			9 196 813	
Sum	153 595 180	180 453 285	43 452 568	29 368 718

Note 14 Transaksjoner med nærstående parter

Ytelser til ledende ansatte er omtalt i note 12, og mellomværende med konsernselskaper er omtalt i note 13.

	2019
a) Salg av varer og tjenester	18 858 427
b) Kjøp av varer og tjenester	70 521 739

Note 15 Betingede forpliktelser - sikkerhetsstillelse til nærstående parter

Sammen med en rekke andre selskaper i Benchmark-konsernet er selskapet garantist for et fireårig seniorsikret børsnotert obligasjonslån med flytende rente på maksimum 1.250 millioner NOK (obligasjonslånet), utstedt av morselskapet Benchmark Holding Plc. Obligasjonslånet refinansierte Benchmark Holding Plcs rammelån på 90 millioner USD. Obligasjonslånet er utstedt i NOK, og initial verdi på hver obligasjon er 1 million NOK. Obligasjonslånet forfaller i juni 2023. Per 30.september 2019 er det utstedt obligasjonslån med en nominell verdi på 850 millioner NOK.

DNB Bank ASA (50%) og HSBC UK Bank PLC (50%) har gitt en løpende kreditt på USD 15 millioner. Denne kreditten var ubrukt per 30.september 2019.

Betingelser for avtalene:

- (i) Selskapet er garantist for punktlig ytelse av avtalen, både vedrørende obligasjonslånet og kredittfasiliteten.
- (ii) Dersom en av de øvrige skyldnerne ikke foretar nedbetaling ved forfall så skal selskapet når påkrevd, foreta en nedbetaling av det relevante beløp som selskapet selv var hovedskyldner
- (iii) Selskapet har gitt långiver sikkerhet i form av pant tilknyttet selskapets eiendeler.

Note 16 Spesifikasjon av finansinntekter og finanskostnader

Finansinntekter	2019	2018
Renteinntekt fra andre foretak i samme konsern	2 020 450	865 537
Annen finansinntekt	548 828	738 053
Sum finansinntekter	2 569 278	1 603 590

Finanskostnader	2019	2018
Rentekostnad fra andre foretak i samme konsern	6 409 748	4 689 815
Annen finanskostnad	400 105	793 512
Sum finanskostnad	6 809 853	5 483 327

Note 17 Kontantstrøm

Endring i andre tidsavgrensningsposter består av:

Endring andre kortsiktige fordringer og forskuddbetalte kostnader	8 881 064
Endring i skyldige offentlige avgifter	2 421 137
Endring annen kortsiktig gjeld ved påløpte kostnader	1 342 400
Sum endring i andre tidsavgrensningsposter	12 644 601

Årsregnskap 2020

Benchmark Genetics Norway AS

Styrets beretning
Resultatregnskap
Balanse
Kontantstrømanalyse
Noter til regnskapet
Revisors beretning

Org. nr.: 983 506 925



Benchmark
SalmoBreed

STYRETS BERETNING FOR 2020

Org.nr. 983 506 925

Virksomhetens art og hvor den drives:

Benchmark Genetics Norway AS sin hovedoppgave er utvikling, produksjon og omsetning av genetisk foredlet materiale for bruk i oppdrett, levering av spesialiserte avlstjenester til nasjonal og internasjonal akvakultur, samt annen akvakultur relatert virksomhet.

Virksomheten til Benchmark Genetics Norway AS ledes fra Bergen med avdelingskontorer på Sunndalsøra og Ås. Benchmark Genetics Norway AS eier ca. 75% av datterselskapet SalmoBreed Salten AS i Sørfold kommune og et avlssenter for laks i Lønningdal i Os kommune. Det avlagte regnskap og beretning gjelder for perioden 01.10.19 – 30.09.20.

Benchmark Genetics Norway AS eier 2 FoU konsesjoner for oppdrett av laks. Disse drives i samarbeid med norske oppdrettsbedrifter.

Selskapets stilling:

Selskapet er en aktiv og kunnskapsbasert leverandør av lakserogn og avlstjenester. Samspillet mellom produsenter, fagmiljø og markedsavdelingen har utviklet seg positivt gjennom 2020. Selskapet forventer en fortsatt utvikling mot stadig mer avanserte produkter som vil gi høyere marginer. Landbasert rognproduksjon vil også gi grunnlag for økt verdiskapning i årene fremover. Sammen med nye store inngåtte genetikkbavtaler vil dette gi grunnlag for økt omsetning og inntjening.

Forskning og utvikling:

Benchmark Genetics Norway AS er alene og sammen med samarbeidspartnere involvert i et betydelig antall forsknings- og utviklingsprosjekter som er rettet inn mot å styrke konsernets avlsmateriale, både for laks, reke, tilapia og andre arter. Selskapet er en attraktiv partner i ulike FoU-prosjekter. FoU kostnadsføres fortløpende.

Fortsatt drift:

I samsvar med regnskapsloven §3-3a bekreftes det at forutsetningene om fortsatt drift er til stede. Til grunn for antakelsen ligger balansen pr. 30.09.20 og budsjett for 2021 samt selskapets langsiktige strategiske prognoser for årene fremover.

Regnskap for 2020:

Årsregnskapet viser et resultat før skattekostnad på NOK 21 192 398. Egenkapitalen pr.30.09.20 er på NOK 66 501 953. Dette utgjør 22,19 % av totalkapitalen.

Bedriften har ingen eksternt finansiering. All gjeld er til konsernselskaper. Selskapets aksjer er pantsatt i forbindelse med obligasjonslånet i Benchmark Holdings plc.



Benchmark
SalmoBreed

Bedriften har risiko knyttet til markedsprisen på rogn og rentenivå på interne lån. I tillegg er bedriften eksponert for endringer i lakseprisen som følge av inntekter fra FoU konsesjoner.

Arbeidsmiljø:

Arbeidsmiljøet ansees som godt og sykefraværet er lavt 5,72 %, hvorav langtidssykemeldt utgjør 3,79 %. Det har heller ikke forekommet skader eller ulykker på arbeidsplassen.

Likestilling:

Selskapet har pr. 30.09.20 33 fast ansatte hvorav 10 kvinner. Selskapet skiller ikke mellom kjønn i ansettelse, men legger vekt på kompetanse, erfaring, referanser og omgjengelighet.

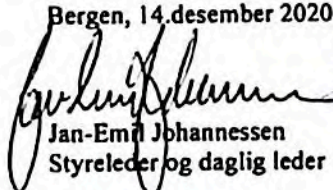
Ytre miljø:

Virksomheten driver innenfor gjeldende lover og regler. Driften medfører ikke forurensing eller utslipp som kan være til skade for det ytre miljø.

Hendelser etter regnskapsårets slutt:

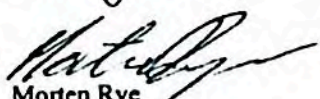
Ingen vesentlige hendelser etter regnskapsårets slutt.

Bergen, 14. desember 2020


Jan-Erik Johannessen
Styreleder og daglig leder


Håvard Bakke
Styremedlem


Jonathan Michael Crowther
Styremedlem


Morten Rye
Styremedlem

RESULTATREGNSKAP

Benchmark Genetics Norway AS

DRIFTSINTEKTER OG DRIFTSKOSTNADER	Note	2020	2019
Salgsinntekt	14	239 056 148	235 080 621
Annen driftsinntekt		1 226 449	2 110 663
Sum driftsinntekter	11	240 282 597	237 191 284
Varekostnad	14	151 343 395	149 173 927
Lønnskostnad	9, 12	35 802 866	33 516 380
Avskrivning av driftsmidler og immaterielle eiendeler	1	2 387 558	2 327 314
Nedskrivning av anleggsmidler	1		1 189 151
Annen driftskostnad	12, 14	24 675 447	28 001 829
Sum driftskostnader		214 209 266	214 208 601
Driftsresultat		26 073 331	22 982 683
FINANSINTEKTER OG FINANSKOSTNADER			
Annen renteinntekt		1 758 799	2 035 705
Annen finansinntekt		442 119	533 573
Annen rentekostnad		6 183 847	6 515 234
Annen finanskostnad		898 003	294 619
Resultat av finansposter	16	- 4 880 933	4 240 575
Ordinært resultat før skattekostnad		21 192 398	18 742 108
Skattekostnad på ordinært resultat	10	4 118 626	3 772 502
Ordinært resultat		17 073 772	14 969 606
Årsresultat		17 073 772	14 969 606
OVERFØRINGER			
Overført til annen egenkapital		17 073 772	14 969 606
Sum overføringer	7	17 073 772	14 969 606

BALANSE

Benchmark Genetics Norway AS

EIENDELER	Note	2020	2019
ANLEGGSMIDLER			
IMMATERIELLE EIENDELER			
Forskning og utvikling	1		4 635
Utsatt skattefordel	10	698 476	865 244
Sum immateriell eiendeler		698 476	869 879
VARIGE DRIFTSMIDLER			
Tomter, bygninger o.a. fast eiendom		6 894 547	7 233 671
Maskiner		11 936 382	9 564 545
Driftsløsøre, inventar o.a. utstyr		165 342	180 262
Sum varige driftsmidler	1	18 996 271	16 978 478
FINANSIELLE ANLEGGSMIDLER			
Investeringer i datterselskap	2	112 584 000	112 584 000
Lån til foretak i samme konsern	13	70 000 000	64 000 000
Investering i felleskontrollert virksomhet	2	26 304 350	26 304 350
Investeringer i aksjer og andeler	3	273 222	273 222
Andre langsiktige fordringer		118 569	10 000
Sum finansielle anleggsmidler		209 280 141	203 171 572
Sum anleggsmidler		228 974 888	221 019 929
OMLØPSMIDLER			
Lager av varer og annen beholdning	4	8 261 631	4 067 717
FORDRINGER			
Kundefordringer	5, 13	27 606 396	30 474 171
Andre kortsiktige fordringer		11 833 174	13 911 208
Sum fordringer		39 439 570	44 385 379
Bankinnskudd, kontanter o.l.	6, 17	22 982 430	8 691 959
Sum omløpsmidler		70 683 631	57 145 055
Sum Eiendeler	15	299 658 519	278 164 984

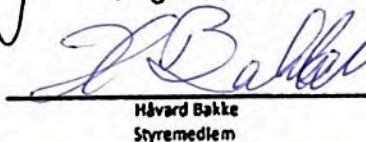
BALANSE

Benchmark Genetics Norway AS

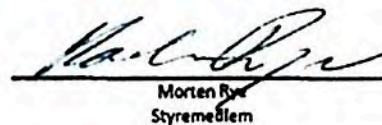
	Note	2020	2019
EGENKAPITAL OG GJELD			
INNSKUTT EGENKAPITAL			
Aksjekapital	7, 8	9 000 000	9 000 000
Overkurs	7	3 092 202	3 092 202
Sum innskutt egenkapital		12 092 202	12 092 202
OPPTJENT EGENKAPITAL			
Annen egenkapital	7	54 409 751	37 258 246
Sum opptjent egenkapital		54 409 751	37 258 246
Sum egenkapital		66 501 953	49 350 448
GJELD			
AVSETNING FOR FORPLIKTELSER			
Pensjonsforpliktelser	9	-	2 938 088
Gjeld til selskap i samme konsern	13	187 892 021	153 595 180
Sum annen langsiktig gjeld		187 892 021	153 595 180
KORTSIKTIG GJELD			
Leverandørgjeld	13	24 796 480	18 883 851
Betalbar skatt	10	8 130 884	5 601 865
Skyldig offentlige avgifter		5 142 597	8 386 236
Gjeld til selskap i samme konsern	13	-	29 182 005
Annen kortsiktig gjeld		7 194 583	10 227 311
Sum kortsiktig gjeld		45 264 544	72 281 268
Sum gjeld		233 156 566	228 814 536
Sum egenkapital og gjeld		299 658 519	278 164 984

Bergen, 14/12-20
Styret i Benchmark Genetics Norway AS


Jan-Erik Johannessen
Styreleder/daglig leder


Håvard Bakke
Styremedlem


Jonathan Michael Crowther
Styremedlem


Morten Rye
Styremedlem

Kontantstrømanalyse

(NRS - Indirekte modell)

	Årets tall	Fjorårets tall
Kontantstrømmer fra operasjonelle aktiviteter		
Resultat før skattekostnad	21 192 398	18 742 108
- Periodens betalte skatter		0
+/- (Gevinst)/tap ved salg av driftsmidler		20 000
+ Ordinære avskrivninger	2 387 558	2 327 314
+ Nedskrivninger	0	1 189 151
+/- Endring i varelager	-4 193 914	-1 191 108
+/- Endring i kundefordringer	2 867 775	-12 722 639
+/- Endring i leverandørgjeld	5 912 629	905 505
+/- Forskjell mellom kostn.ført pensj. og inn-/utbet i p-ordn.	-2 938 088	
+/- Poster klassifisert som inv/fin.aktiviteter	0	0
+/- Endring i andre tidsavgrensningsposter	-5 543 438	12 644 601
= Netto kontantstrøm fra operasjonelle aktiviteter	19 684 920	21 914 932
Kontantstrømmer fra investeringsaktiviteter		
+ Innbetalinger ved salg av varige driftsmidler	0	80 000
- Utbetalinger ved kjøp av varige driftsmidler	-4 400 716	-1 199 911
+ Innbetalinger ved salg av aksjer og andeler	0	0
+ Innbetalinger ved salg av andre investeringer	0	0
- Utbetaling ved kjøp av aksjer og andeler	-108 569	-10 500
- Utbetalinger ved lån til datterselskap og til andre investeringer.	-6 000 000	-9 000 000
= Netto kontantstrøm fra investeringsaktiviteter	-10 509 285	-10 130 411
Kontantstrømmer fra finansieringsaktiviteter		
+ Innbetalinger ved opptak av ny langsiktig gjeld	0	0
+ Innbetalinger ved opptak av ny kortsiktig gjeld	5 114 836	12 709 303
- Utbetaling ved nedbetaling av langsiktig gjeld	0	-26 858 105
- Utbetalinger ved nedbetaling av kortsiktig gjeld	0	216 000
+ Innbetaling egenkapital	0	0
= Netto kontantstrøm fra finansieringsaktiviteter	5 114 836	-13 932 802
+ Tilgang bank som følge av fusjon	0	4 874 161
= Netto endring i kontanter og kontantekvivalenter	14 290 471	2 725 880
+ Beholdning av kontanter og kontantekvivalenter ved periodens begynnelse	8 691 957	5 966 077
= Beholdning av kontanter og kontantekvivalenter ved periodens slutt	22 982 428	8 691 957

Note 1 Varige driftsmidler

Varige driftsmidler	Programvare, ervert	Bygninger og tomter	Maskiner og anlegg	Driftsløsøre	Sum
Anskaffelseskost 01.10.	83 432	8 447 191	15 685 295	1 302 037	25 517 955
Tilgang			3 261 090	1 139 625	4 400 715
Avgang					-
Anskaffelseskost pr. 30.09	83 432	8 447 191	18 946 385	2 441 662	29 918 670
Akk. avs/nedskr. pr. 01.10	78 797	1 213 520	6 120 749	1 121 775	8 534 841
+ Ordinære avskrivninger		339 124	2 034 347	14 087	2 387 558
Akk. Av/nedskr. Pr. 30.09	78 797	1 552 644	8 155 096	1 135 862	10 922 399
Balanseført verdi pr. 30.09	4 635	6 894 547	10 791 289	1 305 800	18 996 271
Forventet økonomisk levetid	3 år	0-50 år	5-10 år	3 år	
Avskrivningsplan	Lineær	Lineær	Lineær	Lineær	

Note 2 Investering i datterselskap og felleskontrollert virksomhet

Investeringene i datterselskap og tilknyttet selskap regnskapsføres etter kostmetoden.
Investeringene i felleskontrollert virksomhet regnskapsføres etter kostmetoden

Datterselskap	Forretnings- kontor	Eier-/stemme- andel	Egenkap. Siste år (100%)	Resultat siste år (100%)	Balanseført verdi
Salmobreed Salten AS	Sørfold	74,97 %	140 089 950	15 005 776	112 584 000
Balanseført verdi 30.09					112 584 000

Salmobreed Salten AS ble stiftet 13.08.2015. Selskapets regnskapsår er 01.10.19-30.09.20

Felleskontrollert virksomhet	Forretnings- kontor	Eier-/stemme- andel	Bokført verdi Egenkap. Siste år (100%)	Resultat siste år (100%)	Bokført verdi av aksjer
Salmar Genetics AS	Kverva	50 %	45 252 060	397 887	26 304 350
Balanseført verdi 30.09.					26 304 350

Salmar Genetics AS ble stiftet 10.10.2016. Selskapets regnskapsår er 01.01.2020-31.12.2020.
Tallene baserer seg på foreløpig og urevidert regnskap for Salmar Genetics per. 30.09.2020

Note 3 Andre langsiktige aksjer og andeler

	Eierandel	Balanseført verdi
Xelect Limited	5,05 %	273 222
Balanseført verdi 30.09.		273 222

Note 4 Biologiske eiendeler

	2020	2019
Rogn/melke	3 871 000	754 317
For	58 561	136 172
Frøfisk	432 450	
Yngel og smolt	3 899 720	3 177 228
Sum	8 261 731	4 067 717
Varebeholdning vurdert til anskaffelseskost	4 362 011	890 489
Varebeholdning vurdert til full tilvirkningskost	3 899 720	3 177 228
Sum	8 261 731	4 067 717

Note 5 Fordringer

	2020	2019
Kundefordringer pålydende	31 144 728	32 622 917
Avsetning til tap på kundefordring	- 3 538 333 -	2 148 746
Kundefordringer i balansen	27 606 396	30 474 171

Note 6 Bundne bankinnskudd

Bundne bankinnskudd	2020	2019
Skattetrekksmidler	1 143 994	995 386

Note 7 Egenkapital

Årets endring i egenkapital	Aksjekapital	Overkurs	Annen egenkapital	Sum
Egenkapital 01.10	9 000 000	3 092 202	37 258 246	49 350 448
Andre endringer i EK			77 733	77 733
Årets resultat			17 073 772	17 073 772
Egenkapital 30.09.	9 000 000	3 092 202	54 409 752	66 501 954

Note 8 Aksjekapital og aksjonærinformasjon

Morselskapet Benchmark Genetics Limited er et britisk selskap hjemmehørende i Storbritannia. Morselskapet er eiet av ultimater Benchmark Holdings Plc og konsernregnskap utarbeides på dette nivået. Konsernregnskapet er tilgjengelig på selskapets hjemmeside.

Aksjekapitalen på kr. 9 000 000 består av 90 000 aksjer á kr. 100.

Oversik over aksjonærene 30.09.20

	Antall	Eierandel
Benchmark Genetics Limited	90 000	100 %
Sum	90 000	100 %
Total antall aksjer	90 000	100 %

Note 9 Pensjoner

Selskapets pensjonsordninger tilfredsstiller kravene i lov om obligatorisk tjenestepensjon. Pensjonspremien er regnskapsført som lønnskostnad.

Note 10 - Skattekostnad på ordinært resultat

Spesifikasjon av årets skattegrunnlag	2020	2019	
Resultat før skattekostnad	21 192 399	18 742 108	
Permanente andre forskjeller	-2 316 097	-1 809 657	
Endring i midlertidige forskjeller	-758 040	2 612 752	
Anvendt skattemessig framførbart underskudd		-	
Grunnlag betalbar skatt	18 118 262	19 545 203	
Ytet konsernbidrag		-	
Inntekt	18 118 262	19 545 203	
Spesifikasjon av årets skattekostnad	2020	2019	
Beregnet skatt av årets resultat	3 986 018	4 334 105	
Overprovisjon for FY2019	-34 159		
= Sum Betalbar skatt	3 951 859	4 334 105	
+ endring i utsatt skattefordel (bokført)	166 768	-561 603	
= Ordinær skattekostnad	4 118 627	3 772 502	
Betalbar skatt i balansen består av:			
Beregnet skatt av årets resultat	3 986 018	4 334 105	
Skyldig skatt 2019	4 299 945		
Estimert skatt 2019	-155 079		
+/- effekt av skatt på konsernbidrag			
= Betalbar skatt i balansen	8 130 884	4 334 105	
Midlertidige forskjeller og balanseført utsatt skatt	2 020	2 019	Endring
+ Driftsmidler inkl. goodwill	799 842	1 153 903	- 354 061
Varelager	-436 400	-	436 400
Utestående fordringer	-3 538 333	-2 148 746	- 1 389 587
Netto balanseført pensjonsforpliktelser		-2 938 088	2 938 088
Sum negative skatteøkende forskjeller	-3 174 891	-3 932 931	758 040
Grunnlag for beregning av utsatt skatt /skattefordel	-3 174 891	-3 932 931	758 040
Balanseført skattefordel	-698 476	-865 245	166 769

Note 11 Driftsinntekter

	2020	2019
Driftsinntekter	239 056 148	235 080 621
Andre driftsinntekter	1 226 449	2 110 663
Sum	240 282 597	237 191 284

Fordeling på virksomhetsområder

	2020	2019
Salg av rogn	180 503 292	181 471 504
Salg av smolt og stamfisk	7 061 690	10 644 257
Andre tjenester	39 196 430	26 480 804
Andre	13 521 185	18 594 719
Sum	240 282 597	237 191 284

Geografisk fordeling - driftsinntekt	2020	2019
Norge	218 836 190	210 584 769
EFTA	9 876 972	4 318 199
EU	2 082 801	15 438 162
Utenfor EU	9 486 634	6 850 154
Sum	240 282 597	237 191 284

Note 12 Lønnskostnader, antall ansatte, godtgjørelser, lån til ansatte mm.

Lønnskostnader	2020	2019
Lønninger	30 063 549	27 522 593
Arbeidsgiver avgift	4 914 692	4 364 686
Pensjonskostnader	3 113 253,00	1 627 052
Tilbakeført tidl avsatt pensjonskostnad	-2 938 088,00	-
Andre ytelser	649 460	2 049
Sum	35 802 866	33 516 380
Gjennomsnittlig antall årsverk	33,00	32,47

Ytelser til ledende personer**Daglig leder Styret**

Lønn/styrehonorar	2 159 794
Andre ytelser	4 392

Det er ikke utbetalt styrehonorar i regnskapsperioden

Det er ikke stilt sikkerhet eller ytt lån til ledende personer i selskapet

Kostnadsført godtgjørelse til revisor	2020	2019
Lovpålagt revisjon (inkl. teknisk bistand med årsregnskap)	839 169	511 025
Attestasjon	27 300	50 920
Andre tjenester	70 918	
Sum godtgjørelse til revisor	937 387	561 945

Note 13 Mellomværende med selskap i samme konsern m.v.

	Kundefordringer		Andre fordringer	
	2020	2019	2020	2019
Foretak i samme konsern	2 334 989	531 197	-	-
Datterselskap	1 773 312	2 698 305	70 000 000	64 000 000
Sum	4 108 301	3 229 502	70 000 000	64 000 000

Fordringen til SBS AS, vil forfalle om mer enn ett år. Det er ikke fastsatt når fordringen forfaller.

	Øvrig langsiktig gjeld		Leverandørgjeld/Annen kortsiktig gjeld	
	2020	2019	2020	2019
Foretak i samme konsern	187 892 021	153 595 180	44 461	34 255 755
Datterselskap			17 344 413	9 196 813
Sum	187 892 021	153 595 180	17 388 874	43 452 568

Gjeld til PLC og BGL, vil forfalle om mer enn ett år. Det er ikke fastsatt når gjelden forfaller.

Note 14 Transaksjoner med nærstående parter

Ytelser til ledende ansatte er omtalt i note 12, og mellomværende med konsernselskaper er omtalt i note 13.

2020

a) Salg av varer og tjenester til selskap i samme konsern	5 958 358
b) Kjøp av varer og tjenester av selskap i samme konsern	110 213 807

Note 15 Betingede forpliktelser - sikkerhetsstillelse til nærstående parter

Sammen med en rekke andre selskaper i Benchmark-konsernet er selskapet garantist for et fireårig seniorsikret børsnotert obligasjonslån med flytende rente på maksimum 850 millioner NOK (obligasjonslånet). Obligasjonslånet forfaller i juni 2023.

DNB Bank ASA (50%) og HSBC UK Bank PLC (50%) har gitt en løpende kreditt på USD 15 millioner.

Denne kreditten var ubrukt per 30.september 2020.

Betingelser for avtalene:

- (i) Selskapet er garantist for punktlig ytelse av avtalen, både vedrørende obligasjonslånet og kredittfasiliteten.
- (ii) Dersom en av de øvrige skyldnerne ikke foretar nedbetaling ved forfall så skal selskapet når påkrevd, foreta en nedbetaling av det relevante beløp som selskapet selv var hovedskyldner
- (iii) Selskapet har gitt långiver sikkerhet i form av pant tilknyttet selskapets eiendeler.

Note 16 Spesifikasjon av finansinntekter og finanskostnader

Finansinntekter	2020	2019
Renteinntekt fra andre foretak i samme konsern	1 746 712	2 020 450
Annen finansinntekt	454 205	548 828
Sum finansinntekter	2 200 917	2 569 278

Finanskostnader	2020	2019
Rentekostnad fra andre foretak i samme konsern	6 168 729	6 409 748
Annen finanskostnad	16 721	400 150
Sum finanskostnad	6 185 450	6 809 898

Note 17 Kontantstrøm**Endring i andre tidsavgrensingsposter består av:**

Endring andre kortsiktige fordringer og forskuddbetalte kostnader	2 078 034
Endring i annen ek	77 733
Endring i betalbar skatt	- 1 422 839
Endring i skyldige offentlige avgifter	- 3 243 639
Endring annen kortsiktig gjeld ved påløpte kostnader	- 3 032 725
Sum endring i andre tidsavgrensingsposter	- 5 543 436



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Til generalforsamlingen i Benchmark Genetics Norway AS

Uavhengig revisors beretning

Uttalelse om revisjonen av årsregnskapet

Konklusjon

Vi har revidert Benchmark Genetics Norway AS' årsregnskap som viser et overskudd på kr 17 073 772. Årsregnskapet består av balanse per 30. september 2020, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noteopplysninger til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening er det medfølgende årsregnskapet avgitt i samsvar med lov og forskrifter og gir et rettviseende bilde av selskapets finansielle stilling per 30. september 2020, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i Revisors oppgaver og plikter ved revisjon av årsregnskapet. Vi er uavhengige av selskapet slik det kreves i lov og forskrift, og har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Ledelsen er ansvarlig for øvrig informasjon. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen.

Vår uttalelse om revisjonen av årsregnskapet dekker ikke øvrig informasjon, og vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese øvrig informasjon med det formål å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom øvrig informasjon og årsregnskapet, kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den tilsynelatende inneholder vesentlig feilinformasjon.

Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon er vi pålagt å rapportere det. Vi har ingenting å rapportere i så henseende.

Styrets og daglig leders ansvar for årsregnskapet

Styret og daglig leder (ledelsen) er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for

å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål med revisjonen er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

Som del av en revisjon i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og anslår vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av den interne kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på hensiktsmessigheten av ledelsens bruk av fortsatt drift-forutsetningen ved avleggelsen av regnskapet, basert på innhentede revisjonsbevis, og hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i regnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifiserer vår konklusjon om årsregnskapet og årsberetningen. Våre konklusjoner er basert på revisjonsbevis innhentet inntil datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke fortsetter driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet representerer de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte omfanget av revisjonen og til hvilken tid revisjonsarbeidet skal utføres. Vi utveksler også informasjon om forhold av betydning som vi har avdekket i løpet av revisjonen, herunder om eventuelle svakheter av betydning i den interne kontrollen.

Uttalelse om andre lovmessige krav

Konklusjon om årsberetningen

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, mener vi at opplysningene i årsberetningen om årsregnskapet og forutsetningen om fortsatt drift er konsistente med årsregnskapet og i samsvar med lov og forskrifter.

Konklusjon om registrering og dokumentasjon

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendig i henhold til internasjonal standard for attestasjonsoppdrag (ISAE) 3000 «Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon», mener vi at ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av selskapets regnskapsopplysninger i samsvar med lov og god bokføringsskikk i Norge.

Bergen, 17. desember 2020
KPMG AS

Anfinn Fardal
Statsautorisert revisor

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Anfinn Bøthun Fardal

Partner

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Anfinn Bøthun Fardal

Statsautorisert revisor

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