



Fish farming group Barramundi Asia buying deep tech startup Allegro Aqua

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SINGAPORE-BASED Barramundi Asia, which operates the largest barramundi farms in Singapore and Australia, is acquiring deep tech startup Allegro Aqua as it hones in on the study of fish genetics to boost production.

Allegro Aqua, a startup by scientists from the Temasek Life Sciences Laboratory (TLL), will be 100 per cent owned by Barramundi Asia in a cash and share swap transaction, Barramundi CEO Andreas von Scholten told *The Business Times*. He declined to reveal the deal value.

Allegro Aqua was established in mid-2018 with pre-seed funding from Temasek Life Sciences Accelerator (TLA). The Temasek Life Sciences Group, which consists of TLL, TLA and the Temasek Lifesciences Innovation Fund, is Allegro Aqua's majority shareholder. TLA is a joint venture between TLL, a non-profit philanthropic research organisation, and Temasek Holdings' venture capital arm Vertex Holdings.

Other backers of Allegro Aqua include angel investors such as industry veteran Koh Soo Keong, who is also chairman of the startup. Post-venture, Allegro Aqua's shareholders will be "significant shareholders" of Barramundi Asia, said Mr von Scholten.

The startup was set up to commercialise an elite strain of barramundi, or the Asian sea bass. The sea bass, which is marketed under its registered name St John's Sea Bass, can be bred in 30 per cent less time, is less susceptible to diseases, and is more nutritious and tasty, according to the startup.

It was developed by TLL as part of a joint research collaboration with the Singapore Food Agency, and represents over 15 years of advanced research in genetic selection and mass cross-breeding.

Allegro Aqua will work closely with TLL and Barramundi Asia's subsidiary UVAXX, a specialist in the science of fish health, to develop vaccinated barramundi fingerlings for Barramundi Asia's nucleus of regional farms and other farms in Singapore and the region.

"Many farms are aware that they need to start with good fingerlings, because all the effort downstream would be wasted if you have poor starting material," said Peter Chia, the CEO of Allegro Aqua and TLA.

He said Barramundi Asia (BA) will not be the only "captive customer" for Allegro Aqua. "I must give a lot of credit to the BA management team for understanding and for their vision – that in order to build the ecosystem, Allegro Aqua needs to supply these fingerlings to other local farmers so that we can, as an entity, help to level up the industry in Singapore."

Barramundi Asia is mulling a guaranteed buyback programme for farmers that it supplies fingerlings to, when the fish is ready for harvest. The company, which said it is on track to produce over 5,000 tonnes of fish by 2023, will require that farmers follow strict farming practices.

Mr von Scholten said in a press statement: "Our end to end, in-house expertise will now span barramundi genomics, proprietary autogenous vaccines, 'Best Aquaculture Practices' highest four-star rated nursery cum husbandry practices, best-in-class grow-out capabilities, as well as EU-compliant (European Union) post-harvest processing."

Barramundi Asia is in the midst of developing a 6,600 hectare ocean farm site in Brunei's Nankivell Offshore Aquaculture Site, which it is investing S\$300 million into.

At full operation, the site is expected to produce 40,000 tonnes of barramundi valued at S\$300 million per year by 2021, according to a press statement from Brunei's Department of Fisheries under the Ministry of Primary Resources and Tourism. The fish will be exported to Singapore, Australia and Europe.