RESULTS BOOKLET

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Continuing operations*

REVENUE

22.6%

2023: R10.0bn
(2022: R8.2bn)

OPERATING PROFIT*

19.8%

2023: R1.5bn
(2022: R1.2bn)

HEPS*

29.2%

2023: R808.8c
(2022: R626.0c)

DIVIDENDS

25.7%

2023: 435 cps
(2022: 346 cps)

NET DEBT TO EBITDA

1.2x

2022: 1.7x

* *From continuing operations. CCS was derecognised on 4 April 2023.*

Comments

GROUP UPDATE

The Board is pleased to announce the extension of Neville Brink's tenure as Chief Executive Officer ("CEO") of the Group to 31 December 2026. The Board is confident that Neville's leadership will provide the continuity necessary to execute on the Group's strategy and continue driving performance.

GROUP OVERVIEW

The Group delivered a strong performance for the year, increasing headline earnings per share from continuing operations by 29.2% to 808.8 cents per share. Daybrook increased its operating profit by 30.2% in US-dollar terms, aided by record global pricing for fish oil, and Lucky Star delivered on its volume growth strategy despite the constrained consumer environment.

The Group's performance benefitted further from increased demand and improved pricing across all wild caught seafood products. The strategy of holding higher inventory levels enabled us to capitalise on the ongoing demand for canned fish, fishmeal and fish oil to be serviced.

The benefit of the diversification across species, geographies and currencies enabled the Group to remain resilient in a challenging operating environment characterised by high inflation, rising interest rates, a volatile currency and increased loadshedding in South Africa (SA) which placed consumers under increased pressure.

Revenue from continuing operations increased by 22.6% to R10.0 billion (2022: R8.1 billion) with strong demand for affordable protein driving consumption and sales volumes. Revenue also benefitted from improved pricing across all products, particularly for fish oil, and the effect of the weaker rand exchange rate on export and US-dollar translated revenue.

Gross margin from continuing operations reduced to 28.6% (2022: 30.8%) despite positive price movements. The full impact of rising input costs in the canned fish business was not passed onto consumers as management adopted a strategy to maintain affordability. Margins were also negatively impacted by lower catch volumes and fish oil yields in both the SA and the United States (US) fishmeal and fish oil operations, poorer vessel utilisation and catch rates in our SA hake and horse mackerel fleets, and costs directly related to loadshedding in our SA land-based operations.

Sales and distribution expenditure from continuing operations increased by 9.9% to R526 million (2022: R479 million). As a percentage of revenue, these costs decreased to 5.3% (2022: 5.9%) due mainly to savings in freight and container costs in US-dollar terms.

Overhead expenditure from continuing operations increased by 16.5% to R958 million (2022: R822 million), mainly attributable to an increase in employment costs, which included provisions for performance-based incentives and costs related to the placement of vacant positions. The Group also incurred above inflation insurance premium increases and scrapped assets to the value of R11 million. This increase was partially offset by non-recurring legal and audit fees incurred in the prior year of R50 million.

The Group recognised a **foreign exchange gain** of R46 million (2022: foreign exchange loss of R23 million) related to realised and unrealised gains or losses on hedging instruments and relevant foreign currency translations.

Other income of R99 million includes insurance proceeds of R72 million related to the finalisation of the 2021 Hurricane Ida claim and R24 million related to the partial settlement of a prior year Covid business interruption claim. (2022: included insurance claims for Hurricane Ida of R63 million and the civil unrest in Kwa-Zulu Natal of R14 million, both events having occurred in 2021).

Profit from joint ventures and associate improved to R34 million (2022: R18 million) due mainly to the improved operating performance of our US associate, Westbank Fishing. Performance in the year benefitted from the weaker rand exchange rate effect on translation and insurance proceeds related to the finalisation of the 2021 Hurricane Ida claim.

Operating profit from continuing operations increased by 19.8% to R1.5 billion (2022: R1.2 billion).

Net interest expense from continuing operations increased to R192 million (2022: R180 million). Excluding interest related to lease liabilities of R38 million (2022: R12 million), the net interest expense reduced to R154 million (2022: R168 million) due to term debt repayments in the year. The interest expense in the year was however adversely impacted by unhedged interest rate increases, the translation of US-dollar interest at a weaker rand exchange rate and higher SA short-term borrowings to replenish inventory levels.

The **effective tax rate** from continuing operations reduced to 23.7% (2022: 25.7%) due to the improved performance of the US fishmeal and fish oil business, which is taxed at a lower rate, and the decrease in SA's corporate income tax rate. The taxation expense includes dividend withholding tax of R30 million (2022: R1.5 million) and non-resident shareholders' tax of R10.0 million (2022: R0.4 million) on dividends declared by foreign subsidiaries.

Profit after tax from continuing operations increased by 25.2% to R990 million (2022: R791 million). Profit after tax from total operations increased 74.6% to R1.3 billion (2022: R769 million) after recognising profit from discontinued operations of R353 million (2022: loss of R22 million), which includes R381 million profit on sale of CCS Logistics.

CASH FLOW AND FINANCIAL POSITION

Cash generated from total operations increased by 71.5% to R1 698 million (2022: R990 million), driven by the improved operating performance together with more efficient working capital utilisation.

Capital expenditure, from continuing operations, increased by 120.2% to R458 million (2022: R208 million) which included R37 million expenditure in the US fishmeal and fish oil business to optimise plant throughput and vessel utilisation. In SA, R54 million related to the upgrade of the canned fish and fishmeal production facilities and R61 million to the construction of the new canned meat facility, both on the West Coast. The Group commenced its programme to upgrade and enhance its hake fishing fleet, and spent R106 million on its flagship hake trawler during the year. The balance of the capital expenditure was largely replacement in nature.

The Group settled R767 million (2022: R220 million) term debt during the year in accordance with its debt reduction plan. The Group ended the year with net debt of R2 035 million (2022: R2 574 million) mainly due to term debt settlement, partially offset by higher working capital requirements in SA and the translation of US-dollar debt at a weaker exchange rate. The Group's net debt to EBITDA ratio improved to 1.2 times (2022: 1.7 times).

Gross debt reduced by 21.6% (R270 million) in SA and by 20.8% (USD 21 million) in US-dollar terms in the US. US-dollar-denominated debt decreased by 17.4% on translation due to a weaker exchange rate. The Group complied with all lender covenant requirements relating to both its SA and US debt.

REVIEW OF OPERATIONS

Revenue and operating profit by segment for the year:

	Revenue			Operating Profit		
	2023	2022	%	**2023**	2022	%
Segmental results	**Rm**	**Rm**	**change**	**Rm**	**Rm**	**change**
Canned fish and fishmeal (Africa)	**5 553**	4 610	20.5	**496**	476	4.2
Fishmeal and fish oil (USA)	**2 697**	1 946	38.6	**810**	584	38.7
Wild caught seafood[1]	**1 737**	1 592	9.1	**127**	150	(15.3)
Total continuing operations*	**9 987**	8 148	22.6	**1 433**	1 210	18.2

* *Operating profit for total continuing operations is before the elimination of R57 million (2022: R34 million) relating to intercompany revenue and support services between continuing and discontinued operations and IFRS 5 consolidation adjustments. Consolidated operating profit from continuing operations is R1 490 million (2022: 1 244 million) which is 19.8% up on the prior year.*

CANNED FISH AND FISHMEAL (AFRICA)

CANNED FISH

Increasing consumer demand for affordable protein and the value offered by Lucky Star ensured that the brand delivered strong sales volume growth of 9.0% for the year across both local and export markets, totaling 9.6 million cartons (2022: 8.8 million cartons). This sales volumes growth, in an environment where consumers are under significant pressure, supports Lucky Star's strategy to grow consumption by maintaining affordability relative to competing proteins, building a resilient supply chain to meet growing consumer demand and continuing with innovative marketing and brand investment. The shelf-stable nature of Lucky Star's canned fish also provided consumers with a safe and convenient protein offering during prolonged periods of loadshedding.

The operating margin reduced year on year as higher selling prices were not sufficient to offset cost pressures, particularly energy, tin can and tomato paste costs, and the impact of the weaker rand / US-dollar exchange rate on the cost of imported frozen fish. Positively, local canning production volumes increased by 13.1% to 5.2 million cartons (2022: 4.6 million cartons) with 18.4% (2022: 10.1%) of raw fish volumes processed being locally caught pilchards. The growth in sales volumes ensured an improvement in the overall canned fish performance.

Inventory levels held at year end were 18.7% higher than the previous year, ensuring continuity of supply to meet expected ongoing consumer demand.

FISHMEAL (AFRICA)

Fishmeal and fish oil sales volumes in our African operations reduced by 9.8% to 24 088 tons (2022: 26 691 tons) with anchovy landings adversely impacted by both harsh winter weather conditions and plant reliability. This resulted in a 5.5% reduction in red eye and anchovy landings. This was partially mitigated by an increase in the volumes of pilchard offcuts from the cannery. Overall, production yields reduced to 23.3% (2022: 25.7%) mainly due to lower fish oil yields.

Revenue and operating profit benefited from record fish oil pricing, firm fishmeal pricing and the weaker rand against the US-dollar resulting in a 35.8% increase in average rand selling prices for the year, contributing to an improved performance despite the lower sales volumes.

Inventory levels closed 18.3% lower than the previous year, with a lower mix of fish oil inventory.

Loadshedding increased the reliance on generators at both the canned fish and fishmeal operations, resulting in incremental energy costs of R28 million for the year. Segmental operating profit includes R8 million Covid business interruption insurance proceeds.

FISHMEAL AND FISH OIL (USA)

In the US, Gulf Menhaden landings for the financial year declined 4.8% to 671 million fish (2022: 704 million fish) with high water temperatures in the latter part of the season adversely impacting fishing conditions. Fish oil yields at 8.1% were lower than the prior year's 10.4% due to lower fat content in the fish landed. Planned higher opening inventory levels, however, contributed to total sales volumes increasing 21.1% for the year. Fishmeal sales volumes increased by 44.8% to 52 804 tons (2022: 36 479 tons) while fish oil sales volumes decreased 27.8% to 12 729 tons (2022: 17 638 tons) given the lower catch and yield.

The cancellation of Peru's main anchovy fishing season due to the high presence of juveniles, resulting from the effect of the El Niño weather pattern, adversely impacted global fishmeal and fish oil supply levels. Consequently, Daybrook's US-dollar fishmeal sales prices increased by 6.6% and US-dollar fish oil sales prices increased by 23.3% compared to the prior year.

The effect of a weaker rand on translation of US-dollar earnings together with additional Hurricane Ida insurance proceeds of R72 million (2022: R63 million) further contributed to Daybrook's strong performance.

The division's operating margin of 30.0% is in line with the prior year with the impact of increased US-dollar sales prices being offset primarily by the effects of a lower proportion of fish oil volumes sold, lower landings and fish oil yield, and other cost push pressures experienced in the high inflationary environment.

Inventory levels closed 6.5% higher than the previous year with a higher mix of fish oil inventory.

WILD CAUGHT SEAFOOD

HORSE MACKEREL

Total horse mackerel sales volumes reduced 6.0% to 45 327 tons (2022: 48 245 tons). In South Africa, catch rates were 32.4% lower due to the impact of the ongoing La Niña weather pattern on the East Coast, and associated warmer sea temperatures extending into the 2023 season. The Desert Diamond vessel also underwent a planned engine overhaul in the first half of the year, resulting in a reduction in seadays. In Namibia, horse mackerel catch volumes improved by 7.5% with an increase in both catch rates and seadays.

Demand and US-dollar export pricing for horse mackerel remained firm which together with the weaker rand resulted in rand sales prices increasing by 19.0% year-on-year. Operating costs continued to be adversely impacted by high fuel costs in the year.

HAKE

Fewer seadays together with a reduction in catch rates resulted in hake catch volumes declining by 34.8% in the year. The reduction in seadays was due to a combination of both planned and unplanned maintenance which included the successful refrigeration freon conversion and production capacity upgrade to our flagship hake trawler, the Beatrice Marine. A 29.4% improvement in rand selling prices was insufficient to offset a 30.8% decline in sales volumes to 8 086 tons (2022: 11 687 tons), higher fuel costs and lower fixed cost absorption resulting in a decline in operating profit for the year.

LOBSTER AND SQUID

A 1.8% reduction in squid catch rates in the year was offset by a 34.6% increase in rand sales prices, driven by record prices in Europe and the weaker rand effect. The lobster business benefitted from a reduced cost base following the restructure of the West Coast Rock Lobster business, and good catch rates and sales prices for South Coast Rock Lobster.

Segmental operating profit includes R16 million Covid business interruption insurance proceeds.

FISHING RIGHTS ALLOCATION PROCESS (FRAP)

The FRAP appeals process is now largely complete with only the small pelagic appeal decision outstanding. Overall, we are satisfied with the outcome of the appeal decisions announced to date and believe that the Minister has met her mandate in recognising the need for both transformation and stability within the fishing industry. The certainty provided by the allocation of 15-year fishing rights enables Oceana to invest with confidence in its South African operations.

COMMERCIAL COLD STORAGE AND LOGISTICS (CCS LOGISTICS)

The Group disposed of its interest in CCS Logistics with effect from 4 April 2023 for R760 million. The disposal realised a profit of R477 million before taxation and R381 million after taxation, directly translating to an increase in earnings per share of 314.4 cents. This profit has no impact on headline earnings per share, being excluded for headline earnings purposes.

CCS Logistics was treated as a discontinued operation until the date of sale for reporting purposes having met the IFRS 5: Non-current Assets Held for Sale and Discontinued Operations reporting conditions.

DIVIDENDS

The Board resolved on 24 November 2023 to declare a final dividend of 305 cents (2022: 291 cents) per share, which together with the interim dividend, brings the total dividend for the year to 435 cents (2022: 346 cents) per share, an increase of 25.7%.

OUTLOOK

As the Group expects SA consumers to remain under financial pressure, management will continue to pursue its strategy to grow Lucky Star consumption through availability and relative affordability, supported by promotional activity and brand and inventory investment. The Group will remain responsive to enduring rand weakness due to the impact this has on Lucky Star's margins, noting however that the Group remains naturally hedged against rand volatility due to its high exposure to foreign currency earnings. We remain cognisant of failing infrastructure and the potential for port delays to disrupt Lucky Star's global supply chain. The new canned meat factory in St Helena Bay has been commissioned in the new financial year, enabling Lucky Star to continue to leverage both brand strength and depth of distribution into new canned food categories.

The Fishmeal (Africa) business has commenced with a major three-year phased capital expenditure project totaling R330 million to optimise processing capacity and efficiencies at its two processing facilities on the West Coast, which includes the conversion to a value and quality enhancing steam drying process at the Laaiplek facility.

The 2023 US Gulf Menhaden fishing season closed on 31 October, with landings by Westbank down 5.5% to 665 million fish (2022: 704 million fish) which is higher than the five-year average catch of 642 million fish. Higher closing inventory levels will benefit Daybrook's performance in the new financial year, enabling the sale of 9 000 tons of fish oil at prices ranging from of USD 5 000 to USD 6 000 per ton and 29 000 tons of fish meal at prices ranging from USD 1 650 to USD 1 850 per ton before commencing the new fishing season in April 2024. Peru, the world's largest fishmeal and fish oil producer, announced a 1.7 million ton anchovy quota for the second season in 2023, higher than anticipated but still 26.0% lower than the prior year. This is not expected to be sufficient to restore global fish oil supply levels, supporting continued strong pricing in the short to medium term.

Hake, horse mackerel and squid catch rates are anticipated to improve on the East Coast of SA in 2024 with the weather cycle moving from the La Niña to the El Niño effect. All three resources remain well managed and sustainable in the long term. Investments to upgrade the hake and horse mackerel fleet will continue in 2024, including expenditure to convert refrigeration from freon to other environmentally friendly gases. The Hake Deep-Sea Trawling fish rights allocation appeals process was concluded in October 2023, resulting in an effective 4.0% reduction in Oceana's allocated quota, but no net change when including the quota of contracted right holders. Demand and pricing are expected to remain firm across all products.

The Group will continue utilising excess cash to strengthen its balance sheet and create capacity for growth and improved returns.

CHANGES TO THE BOARD AND COMMITTEES

The following changes took place during the year in respect of directors and officers:

- Zaf Mahomed was appointed as Chief Financial Officer ("CFO") and executive director of the Board effective 1 February 2023. Ralph Buddle stepped down as interim CFO and executive director of the Board on 31 January 2023.
- Jayesh Jaga was appointed as the Company Secretary on 1 July 2023, replacing Nicole Morgan who resigned on 30 June 2023.

The changes to the Group's Board and Committees below were made following the Company's Annual General Meeting (AGM), held on 6 April 2023 and were effective immediately:

- Zarina Bassa retired as an independent non-executive director of the Board, chairman of the Audit Committee, member of the Risk Committee and member of the Corporate Governance and Nominations Committee.
- Peter Golesworthy, an independent non-executive director and member of the Audit Committee, was appointed as chairman of the Audit Committee and as a member of the Corporate Governance and Nominations Committee.
- Peter de Beyer, an independent non-executive director stepped down as chairman of the Remuneration Committee and remained a member of the Remuneration Committee.
- Thoko Mokgosi-Mwantembe, an independent non-executive director and member of the Remuneration Committee, was appointed chairman of the Remuneration Committee and member of the Corporate Governance and Nominations Committee.

Mustaq Brey
Chairman

Neville Brink
Chief Executive Officer

Cape Town

27 November 2023

DECLARATION OF FINAL DIVIDEND

Notice is hereby given of dividend number 159. A gross final dividend amounting to 305 cents per share, in respect of the year ended 30 September 2023 is declared out of current earnings. Where applicable, the deduction of dividends withholding tax at a rate of 20% will result in a net dividend amounting to 244 cents per share.

The number of ordinary shares in issue at the date of this declaration is 130 431 804. The Company's tax reference number is 9675/139/71/2. Relevant dates are as follows:

Dividend declaration date	Monday, 27 November 2023
Last day to trade *cum* dividend	Tuesday, 19 December 2023
Commence trading *ex*-dividend	Wednesday, 20 December 2023
Record date	Friday, 22 December 2023
Dividend payment date	Wednesday, 27 December 2023

Share certificates may not be dematerialised or rematerialised between Wednesday, 20 December 2023 and Friday, 22 December 2023, both dates inclusive.

This short-form announcement is the responsibility of the directors and it does not contain the full or complete information provided in the Group Annual Financial Statements. The information in this announcement has been extracted from the audited information, but the announcement is not itself audited. Any investment decisions by investors and/or shareholders should be based on consideration of the full Group Annual Financial Statements available on our website at: **https://results.oceana.co.za/audited-annual-financial-results-statements-2023** and at **https://senspdf.jse.co.za/documents/2023/JSE/ISSE/OCE/FY2023.pdf**

The audited annual financial results for the year ended 30 September 2023 have been audited by Mazars who expressed an unmodified audit opinion thereon.

By order of the Board

Jayesh Jaga
Company Secretary

27 November 2023

Consolidated Statement of Comprehensive Income

for the year ended 30 September 2023

	Notes	2023 Rm	2022 Rm
Revenue	2	9 987	8 148
Cost of sales		(7 134)	(5 641)
Gross profit		2 853	2 507
Sales and distribution expenditure		(526)	(479)
Marketing expenditure		(58)	(46)
Overhead expenditure		(958)	(822)
Other income		99	89
Net foreign exchange gain/(loss)		46	(23)
Joint ventures and associate profit		34	18
Operating profit*		1 490	1 244
Interest income		39	22
Interest expense		(231)	(202)
Profit before taxation		1 298	1 064
Taxation expense		(308)	(273)
Profit after taxation from continuing operations		990	791
Profit/(Loss) from discontinued operations		353	(22)
Profit for the year		1 343	769
Other comprehensive income from continuing operations			
Items that may be reclassified subsequently to profit or loss:			
Movement on foreign currency translation reserve		244	960
Movement on foreign currency translation reserve on joint ventures and associate		9	64
Movement on cash flow hedging reserve		(32)	126
Income tax related to loss/(gain) recognised in other comprehensive income		7	(24)
Other comprehensive income, net of taxation		228	1 126
Total comprehensive income for the year		1 571	1 895
Profit for the year attributable to:			
Shareholders of Oceana Group Limited		1 326	733
Non-controlling interests		17	36
		1 343	769
Total comprehensive income for the year attributable to:			
Shareholders of Oceana Group Limited		1 554	1 859
Non-controlling interests		17	36
		1 571	1 895
Total comprehensive income attributable to shareholders of Oceana Group Limited from:			
Continuing operations		1 202	1 883
Discontinued operations		352	(24)
Total comprehensive income		1 554	1 859
Earnings per share (cents)			
Total basic earnings per share		1 094.1	603.0
From continuing operations		804.1	622.9
From discontinued operations		290.0	(19.9)
Total diluted earnings per share		1 091.5	602.6
From continuing operations		802.2	622.5
From discontinued operations		289.3	(19.9)

* *Other operating items as well as the subtotals for "Operating profit before joint ventures and associate profit/(loss)and other operating items" and "Operating profit before other operating items" have been removed to enhance disclosure. Other operating items have been included in overheads with the supporting disclosure shown in note 5.*

Consolidated Statement of Financial Position

as at 30 September 2023

	Notes	2023 Rm	2022 Rm
ASSETS			
Non-current assets			
Property, plant and equipment	2	**2 127**	1 865
Right-of-use assets		**114**	84
Goodwill and intangible assets	5	**6 077**	5 846
Interest in joint ventures and associate		**309**	306
Deferred taxation		**17**	14
Other loans receivable		**196**	178
Derivative asset		**–**	104
Total non-current assets		**8 840**	8 397
Current assets			
Inventories		**2 792**	2 271
Trade and other receivables		**1 290**	1 594
Taxation receivable		**34**	69
Derivative asset		**65**	–
Cash and cash equivalents		**453**	486
Total current assets		**4 634**	4 420
Assets held for sale		**9**	379
Total assets		**13 483**	13 196
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		**1 113**	1 225
Foreign currency translation reserve		**2 001**	1 740
Cash flow hedging reserve		**45**	70
Share-based payment reserve		**102**	88
Distributable reserve		**4 521**	3 690
Interest of own shareholders		**7 782**	6 813
Non-controlling interests		**187**	220
Total capital and reserves		**7 969**	7 033
Non-current liabilities			
Deferred taxation		**645**	642
Borrowings	6	**1 895**	2 686
Lease liabilities		**153**	98
Employee accruals		**30**	28
Liability for share-based payments		**10**	8
Total non-current liabilities		**2 733**	3 462
Current liabilities			
Borrowings	6	**376**	298
Short-term banking facility		**203**	76
Lease liabilities		**26**	29
Employee accruals		**8**	8
Trade and other payables		**2 139**	2 100
Bank overdraft facilities		**14**	–
Taxation payable		**15**	8
Total current liabilities		**2 781**	2 519
Liabilities held for sale		**–**	182
Total liabilities		**5 514**	6 163
Total equity and liabilities		**13 483**	13 196

Consolidated Statement of Changes in Equity

for the year ended 30 September 2023

	Notes	Share capital	Foreign currency translation reserve	Cash flow hedging reserve	Share-based payment reserve	Distributable reserve	Interest of own shareholders	Non-controlling interests	Total
		Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
Balance as at 1 October 2021		1 222	716	(32)	61	3 336	5 303	200	5 503
Total comprehensive income for the year		–	1 024	102	–	733	1 859	36	1 895
Movement on foreign currency translation reserve		–	960	–	–	–	960	–	960
Movement on foreign currency translation reserve on joint ventures and associate		–	64	–	–	–	64	–	64
Movement on cash flow hedging reserve		–	–	126	–	–	126	–	126
Income tax related to gain recognised in equity		–	–	(24)	–	–	(24)	–	(24)
Profit for the year		–	–	–	–	733	733	36	769
Transfers between reserves		–	–	–	(10)	(11)	(21)	21	–
Transfer from share-based payment liability to reserve		–	–	–	7	–	7	–	7
Decrease in treasury shares held by share trusts		3	–	–	–	–	3	–	3
Share-based payment expense		–	–	–	44	–	44	–	44
Share-based payment exercised		–	–	–	(14)	–	(14)	–	(14)
Gain on disposal of treasury shares – Oceana Empowerment Trust (“OET”) wind up		–	–	–	–	1	1	–	1
Gain on disposal of shares distributed to deceased employee beneficiaries of OET		–	–	–	–	1	1	–	1
Distribution to Oceana Saam-Sonke beneficiaries		–	–	–	–	(4)	(4)	–	(4)
Dividends		–	–	–	–	(366)	(366)	(37)	(403)
Balance as at 30 September 2022		**1 225**	**1 740**	**70**	**88**	**3 690**	**6 813**	**220**	**7 033**
Total comprehensive income for the year		–	253	(25)	–	1 326	1 554	17	1 571
Movement on foreign currency translation reserve		–	244	–	–	–	244	–	244
Movement on foreign currency translation reserve from joint ventures and associate		–	9	–	–	–	9	–	9
Movement on cash flow hedging reserve		–	–	(32)	–	–	(32)	–	(32)
Income tax related to loss recognised in equity		–	–	7	–	–	7	–	7
Profit for the year		–	–	–	–	1 326	1 326	17	1 343
Transfers between reserves		(16)	8	–	(14)	22	–	–	–
Increase in treasury shares held		(96)	–	–	–	–	(96)	–	(96)
Share-based payment expense		–	–	–	64	–	64	–	64
Share-based payment exercised		–	–	–	(36)	–	(36)	–	(36)
Distribution to Oceana Saam-Sonke Trust beneficiaries		–	–	–	–	(6)	(6)	–	(6)
Dividends		–	–	–	–	(511)	(511)	(46)	(557)
Disposal of CCS Logistics		–	–	–	–	–	–	(4)	(4)
Balance as at 30 September 2023		**1 113**	**2 001**	**45**	**102**	**4 521**	**7 782**	**187**	**7 969**

Consolidated Statement of Cash Flows

for the year ended 30 September 2023

	Notes	2023 Rm	2022 Rm
Cash generated from operations		**1 698**	990
Interest income received		**28**	14
Interest paid		**(213)**	(194)
Taxation paid		**(402)**	(287)
Dividends paid		**(563)**	(407)
Cash inflows from operating activities		**548**	116
Purchases of property, plant and equipment		**(482)**	(253)
Purchases of intangible assets		**(8)**	(6)
Proceeds on disposal of property, plant and equipment		**10**	4
Decrease in loans receivable from business partners		**–**	(1)
Proceeds on disposal CCS Logistics		**713**	–
Loans repaid from supplier partners		**5**	–
Advances to supply partners		**(17)**	–
Cash inflows/(outflows) from investing activities		**221**	(256)
Long-term borrowings repaid		**(827)**	–
Long-term borrowings raised		**300**	–
Cost associated with loan refinancing		**(11)**	–
Short-term borrowings repaid		**(240)**	(220)
Short-term banking facility raised		**6 852**	3 861
Short-term banking facility repaid		**(6 725)**	(3 876)
Repayment of principal portion of lease liability		**(38)**	(43)
Loans repaid		**–**	3
Purchase of treasury shares		**(97)**	–
Proceeds from sale of treasury shares		**–**	3
Purchase of treasury shares for the settlement of long-term incentives[1]		**(38)**	(13)
Cash outflows from financing activities		**(824)**	(285)
Net decrease in cash and cash equivalents		**(55)**	(425)
Cash and cash equivalents at the beginning of the year		**487**	828
Effect of exchange rate changes on cash and cash equivalents		**7**	84
Cash and cash equivalents at end of the year		**439**	487

Cash flows from discontinued operations have been included in the consolidated statement of cash flows for both 2023 and 2022 up to the disposal date.

[1] *Acquisition of shares to settle employee equity-settled share-based scheme on vesting.*

Notes to the Consolidated Financial Statements

for the year ended 30 September 2023

1. BASIS OF PREPARATION

The results booklet has been extracted from the audited Group Annual Financial Statements (AFS), but is not in itself audited. The Group AFS were audited by Mazars, who expressed an unmodified opinion thereon. The audited Group AFS and the auditor's report thereon are available for inspection at the Company's registered office, or on the Company's website at **https://results.oceana.co.za/audited-annual-financial-results-statements-2023.pdf**

The directors take full responsibility for the preparation of the results booklet and ensured that the financial information has been correctly extracted from the underlying Group AFS. The auditor's report included in the Group AFS does not necessarily report on all the information contained in this results booklet. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report, together with the accompanying financial information from the Company's registered office or website.

2. REVENUE

	2023 **Rm**	2022 Rm
The main categories of revenue and the segment to which they relate are set out below:		
Sale of goods		
Canned fish and fishmeal (Africa)	**5 538**	**4 609**
Sale of goods	**5 514**	4 566
Incidental services (incidental freight and insurance)	**24**	43
Fishmeal and fish oil (USA)	**2 697**	**1 946**
Wild caught seafood	**1 619**	**1 541**
Sale of goods	**1 603**	1 495
Incidental services (incidental freight and insurance)	**16**	46
Other non-trade revenue		–
Canned fish and fishmeal (Africa)	**14**	1
Wild caught seafood (Africa)	**119**	51
	9 987	8 148

Other non-trade revenue includes quota fees R52 million (2022: R22 million); fee income R80 million (2022: R26 million) and factory processing and other minor recoveries R1 million (2022: R4 million).

Fee income consists mainly of scientific survey income as a result of charter services provided to the Department of Forestry, Fisheries and the Environment (DEFF) to conduct its annual scientific surveys.

Notes to the Consolidated Financial Statements continued

for the year ended 30 September 2023

3. SEGMENTAL RESULTS

2023	Canned fish and fishmeal (Africa)	Fishmeal and fish oil (USA)	Wild caught seafood	Total	Intercompany eliminations between continuing and discontinued operations[1]	Total continuing operations
	Rm	Rm	Rm	Rm	Rm	Rm
Statement of comprehensive income						
Gross revenue	6 536	2 697	1 775	11 008	–	11 008
Inter-segmental revenue	(983)	–	(38)	(1 021)	–	(1 021)
Revenue	5 553	2 697	1 737	9 987	–	9 987
Operating profit	496	810	127	1 433	57	1 490
Interest income[2]	19	8	12	39	–	39
Interest expense[2]	(153)	(44)	(34)	(231)	–	(231)
Profit before taxation	362	774	105	1 241	57	1 298
Taxation expense	(123)	(134)	(51)	(308)	–	(308)
Profit after taxation	239	640	54	933	57	990
The above profit after taxation includes the following:						
Joint ventures and associate (loss)/profit	(6)	40	–	34	–	34
Depreciation and amortisation	71	98	92	261	–	261
Distribution expenditure	214	122	64	400	–	400
Employment costs	724	203	383	1 310	–	1 310
Administrative, technical, secretarial and legal fees	26	23	3	52	–	52
Fuel and energy costs	103	44	387	534	–	534
Repairs and maintenance	91	116	97	304	–	304

Included in 2023 revenues arising from Canned fish and fishmeal (Africa) are revenues of approximately R1 298 million (2022: R1 112 million) which arose from sales to the Group's largest customer. No other single customer contributed 10% or more to the Group's revenue in either 2023 or 2022.

1. *Intercompany eliminations relate to revenue and support service charges to align the IFRS 8: Operating Segment profit measures the CODM uses to manage the business to that of IFRS. This includes the consolidation reversal of CCS depreciation for the year up to date of sale in line with the requirements of IFRS 5.*
2. *Inter-segmental finance transactions are not included in the segmental results, and therefore excluded from interest expense and interest income.*

	Canned fish and fishmeal (Africa)	Fishmeal and fish oil (USA)	Wild caught seafood	Total	Intercompany eliminations between continuing and discontinued operations	Total continuing operations
Statement of financial position						
Total assets excluding assets held for sale	3 422	9 237	815	13 474	–	13 474
Total liabilities excluding liabilities held for sale	2 561	2 459	494	5 514	–	5 514
The above amounts of assets includes the following:						
Additions to property, plant and equipment and intangible assets	179	99	189	467	–	467
Interest in joint ventures and associate	54	255	–	309	–	309

The statement of financial position is reflected after eliminating inter-segmental assets and liabilities. Total assets for Wild caught seafood of R348 million (2022: R408 million) were eliminated against Canned fish and fishmeal (Africa). Total liabilities for Wild caught seafood of R92 million (2022: R6 million) were eliminated against Canned fish and fishmeal (Africa).

3. SEGMENTAL RESULTS CONTINUED

The Group's revenue and non-current assets by geographic segment are detailed below:

2023 Region	South Africa and Namibia Rm	Other Africa Rm	North America Rm	Europe Rm	Far East Rm	Other Rm	Total Rm
Revenue	5 182	863	1 535	1 694	667	46	9 987
Non-current assets	1 384	–	7 439	–	–	–	8 823

2022	Canned fish and fishmeal (Africa) Rm	Fishmeal and fish oil (USA) Rm	Wild caught seafood Rm	Total Rm	Intercompany eliminations between continuing and discontinued operations[1] Rm	Total continuing operations Rm
Statement of comprehensive income						
Gross revenue	4 765	1 946	1 613	8 324	–	8 324
Inter-segmental revenue	(155)	–	(21)	(176)	–	(176)
Revenue	4 610	1 946	1 592	8 148	–	8 148
Operating profit	476	584	150	1 210	34	1 244
Interest income[2]	18	1	3	22	–	22
Interest expense[2]	(107)	(85)	(10)	(202)	–	(202)
Profit before taxation	387	500	143	1 030	34	1 064
Taxation expense	(115)	(114)	(44)	(273)	–	(273)
Profit after taxation	272	386	99	757	34	791
The above profit after taxation includes the following:						
Joint ventures and associate loss	(10)	28	–	18	–	18
Depreciation, amortisation and impairment	48	94	86	228	–	228
Distribution expenditure	205	83	90	378	–	378
Employment costs	546	178	368	1 092	–	1 092
Administrative, technical and secretarial fees	58	16	2	76	–	76
Fuel and energy costs	92	73	317	482	–	482
Repairs and maintenance	63	81	88	232	–	232
Statement of financial position						
Total assets excluding assets held for sale	3 011	9 045	760	12 816	–	12 816
Total liabilities excluding liabilities held for sale	2 857	2 744	379	5 980	–	5 980
The above amounts of assets includes the following:						
Additions to property, plant and equipment and intangible assets	61	40	114	215	–	215
Interest in joint ventures and associate	61	245	–	306	–	306

Notes to the Consolidated Financial Statements continued

for the year ended 30 September 2023

3. SEGMENTAL RESULTS CONTINUED

The Group's revenue and non-current assets by geographic segment are detailed below:

Region 2022	South Africa and Namibia	Other Africa	North America	Europe	Far East	Other	Total
	Rm	Rm	Rm	Rm	Rm	Rm	Rm
Revenue	4 518	583	1 272	1 600	123	52	8 148
Non-current assets	1 569	–	6 814	–	–	–	8 383

4. PROPERTY, PLANT AND EQUIPMENT

	Freehold land and buildings	Leasehold land and buildings	Plant, equipment and vehicles	Fishing vessels and nets	Total
	Rm	Rm	Rm	Rm	Rm
2023					
Cost	**1 071**	**96**	**2 053**	**909**	**4 129**
Accumulated depreciation and impairment losses	**(418)**	**(29)**	**(1 081)**	**(474)**	**(2 002)**
Net book value at 30 September 2023	**653**	**67**	**972**	**435**	**2 127**
2022					
Cost	1 017	98	1 931	786	3 832
Accumulated depreciation and impairment losses	(356)	(45)	(1 082)	(473)	(1 956)
Net book value at 30 September 2022	661	53	849	313	1 876

5. GOODWILL AND INTANGIBLE ASSETS

	Goodwill	Trademark	Intellectual property	Fishing rights	Non-competes	Computer software	Total
	Rm	Rm	Rm	Rm	Rm	Rm	Rm
2023							
Cost	**4 552**	**298**	**1 153**	**162**	**130**	**136**	**6 431**
Accumulated amortisation	**–**	**(46)**	**–**	**(115)**	**(125)**	**(63)**	**(349)**
Accumulated impairment	**(1)**	**–**	**–**	**–**	**–**	**(4)**	**(5)**
Net book value at 30 September 2023	**4 551**	**252**	**1 153**	**47**	**5**	**69**	**6 077**
2022							
Cost	3 644	246	919	162	104	141	5 216
Accumulated amortisation	–	(45)	–	(107)	(96)	(64)	(312)
Accumulated impairment	(1)	–	–	–	–	(2)	(3)
Net book value at 30 September 2022	3 643	201	919	55	8	75	4 901

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. The change in net book value of goodwill and intangible assets includes an increase of R242 million (2022: decreased by R953 million) as a result of the translation of the US assets.

The main areas of judgement applied in determining the recoverable amount of goodwill relate to fish catch, production yields, sales pricing and weighted average cost of capital. Based on management's review, the carrying amount of the goodwill and intangible assets are not considered to be impaired.

6. BORROWINGS

	Rm	Rm
South African Rand-denominated loans	775	1 173
USA dollar-denominated term loan	1 496	1 811
Total borrowings	2 271	2 984
Categorised between non-current and current portions		
Non-current portion of liabilities	1 895	2 686
Current portion of liabilities	376	298
Total borrowings	2 271	2 984

The South African rand-denominated loans includes term loans of R768.9 million (2022: R1 164.8 million) which bear interest at a rate of JIBAR plus average margin of 1.60% (2022: 1.70%). This includes both the term loan and revolving credit facility. These loans are repayable through a combination of semi-annual and bullet installments with the final principal installment of all loans due on 15 October 2026. The Group repaid term debt amounting to R697 million during the financial year and drew down R300 million from its R500 million revolving credit facility. The loans are secured by intercompany guarantees provided by Lucky Star Limited, Blue Continent Products Proprietary Limited, Erongo Marine Enterprises Proprietary Limited, Amawandle Pelagic Proprietary Limited and Amawandle Hake Proprietary Limited.

The USA dollar-denominated borrowings include R1 495.9 million / USD 79.0 million (2022: R1 811.5 million / USD 100 million) owing by Daybrook. The Daybrook borrowings bear interest at a rate of SOFR plus applicable margin of 1.75% (2022: 2.25%) which varies with the total net leverage ratio at the pricing date. During the current year, the Group repaid R368.1 million ($20.1) of Daybrook borrowings. In addition, the Group refinanced its credit facilities on 30 June 2023. The revised facility is structured as an amortisation payment facility repayable in quarterly installments with the final bullet payment due on 30 June 2028. The loan is secured by substantially all of the tangible and intangible assets of Daybrook.

The South African referenced rate has not yet changed from JIBAR to ZARONIA and the transition plan is in its foundation please. Initial estimates are that the Jibar cessation date may be in 2026. Hence, at year end since the change to JIBAR has not yet been determined, the likely impact cannot be calculated at this time.

COVENANTS

The SA and USA loans provided by the lenders, are subject to covenant conditions using specific bank defined formulae as set out in the loan agreements and are regularly monitored by management to ensure these are complied with. In the event that an entity is at risk of breaching its covenants, negotiations are entered into with lenders to remediate. Covenants for SA debt are required to be assessed at every reporting period (March and September) and covenants for US debt are assessed every quarter. Management does not expect there to be a breach of covenants for atleast 12 months from September 2023 (last date of testing).

	2023		2022	
	Required covenant	Achieved	Required covenant	Achieved
Covenants regarding term loans and revolving credit facilities				
South African Rand-denominated term loans				
Net debt: EBITDA cover	2.50	Yes	2.75	Yes
Interest cover	3.75	Yes	3.75	Yes
Debt service cover	1.30	Yes	1.30	Yes
Daybrook USA dollar-denominated term loan				
Net debt: EBITDA cover	2.50	Yes	3.25	Yes
Fixed cover	1.25	Yes	1.25	Yes

Notes to the Consolidated Financial Statements continued

for the year ended 30 September 2023

7. DETERMINATION OF HEADLINE EARNINGS

	2023		2022	
	Gross of tax	Net of tax and non-controlling interests	Gross of tax	Net of tax and non-controlling interests
	Rm	Rm	Rm	Rm
Profit after taxation		1 326		733
Loss after tax from discontinued operations[1]		29		24
Earnings from continuing operations		1 355		757
Adjusted for:				
Scrapping of property, plant and equipment and intangible assets	11	7	–	–
Insurance proceeds on capital items	(3)	(2)	(8)	(5)
Net loss on disposal of property, plant and equipment	2	1	(1)	(1)
Loss on deemed disposal of joint venture	–	–	9	9
Profit on disposal of CCS Logistics	(477)	(381)	–	–
Headline earnings for the year attributable to the shareholders of the parent from continued operations		980		760
Earnings from discontinued operations				
Loss from discontinued operations after tax		(29)		(24)
Headline earnings for the year attributable to the shareholders of the parent from discontinued operations		(29)		(24)
Headline earnings for the year		951		736
Headline earnings per share (cents)				
– Basic		784.4		606.2
Continuing operations		808.8		626.0
Discontinued operations		(24.4)		(19.8)
– Diluted		782.6		605.8
Continuing operations		807.0		625.6
Discontinued operations		(24.4)		(19.8)

[1] *Includes a non-controlling interest profit adjustment in CCS of R1.4 million (2022: 1.6 million).*

8. DISPOSAL OF CCS LOGISTICS

The Group entered into an agreement to dispose of its cold storage business, Commercial Cold Storage Group Limited ("CCS Logistics") as disclosed in the September 2022 financial statements, and consequently disclosed CCS Logistics as a discontinued operation. All conditions precedent to the disposal were concluded and CCS Logistics was derecognised on 4 April 2023. All amounts pertaining to CCS Logistics for 2023 in this note are up to the date of derecognition.

	2023 Rm
Details of the disposal of the subsidiary	
Total disposal consideration	**760**
Carrying amount of net assets disposed	(271)
Costs incurred directly attributable to the sale	(12)
Profit on disposal before income tax	**477**
Income tax expense on profit/(loss) on disposal of subsidiary	(96)
Profit on disposal of subsidiary after income tax	**381**
Loss from discontinued operation up to date of sale	**(28)**
Profit from discontinued operation	**353**

Refer to note 10 in the Group AFS for further information relating to the disposal.

9. EVENTS AFTER THE REPORTING DATE

Other than the event disclosed in note 33 of the Group AFS, management is not aware of events that occurred beyond the year end up to the date of authorisation of the Group AFS that could have a material impact to the Group's reported results as at 30 September 2023 that would require separate disclosure in these financial statements.

Directorate and statutory information

Directors and officers as at 30 September 2023:	Mr MA Brey (Chairman), Mr PG de Beyer (Lead Independent Director), Mr N Brink* (Chief Executive Officer), Mr Z Mahomed* (Chief Financial Officer), Ms Z Bassa (retired 6 April 2023), Mr PJ Golesworthy (British), Mr A Jakoet, Mr NA Pangarker, Ms L Sennelo, Ms NV Simamane, Ms TM Mokgosi-Mwantembe (**Executive*)
Registered Office:	9th Floor, Oceana House, 25 Jan Smuts Street, Foreshore, Cape Town, 8001
Transfer Secretaries:	JSE Investor Services South Africa (Pty) Ltd ("JIS") 13th Floor, 19 Ameshoff Street, Braamfontein, (PO Box 4844, Johannesburg, 2000)
Sponsor – South Africa:	The Standard Bank of South Africa Limited
Sponsor – Namibia:	Old Mutual Investment Services (Namibia) Proprietary Limited
Auditors:	Mazars
Company Secretary:	Mr J Jaga (appointed 1 July 2023)
JSE /A2X share code:	OCE
NSX share code:	OCG
ISIN:	ZAE000025284