



RESULTS BOOKLET 2024

FOR THE YEAR ENDED 30 SEPTEMBER 2024



OCEANA
LUCKY STAR
FOODS

OCEANA
WILD CAUGHT
SEAFOOD

OCEANA
FISHMEAL
& FISH OIL

HIGHLIGHTS

REVENUE*

0.7%

2024: R10.1bn
(2023: R10.0bn)

OPERATING PROFIT*

9.5%

2024: R1.6bn
(2023: R1.5bn)

HEPS*

13.5%

2024: 917.6c
(2023: 808.8c)

NET DEBT TO EBITDA

1.3x

(2023: 1.2x)

DIVIDENDS

13.8%

2024: 495 cps
(2023: 435 cps)

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

Comments

GROUP OVERVIEW

The Group achieved solid annual results, with headline earnings per share increasing by 13.5%. The growth was driven by record earnings from Daybrook in the United States (US), margin expansion at Lucky Star foods and a strong turnaround in the Hake operations. The Group's performance was negatively impacted by weaker results from the African fishmeal and fish oil business due to lower volumes and poor horse mackerel performance resulting from a major vessel breakdown and lower catch rates.

Revenue increased by 0.7% to R10.1 billion (2023: R10.0 billion), primarily due to strong fish oil sales prices together with improved hake and squid sales volumes. This revenue growth was offset by lower fishmeal sales volumes due to reduced catches in South Africa (SA) and the US as well as decreased horse mackerel sales volumes.

Gross profit margin increased by 320 basis points to 31.8% (2023: 28.6%), attributable to a favourable mix of higher margin fish oil sales and enhanced margins from Lucky Star foods due to efficiencies and cost savings generated by the recent cannery upgrades. Margins were negatively impacted by lower catch and production volumes in both the fishmeal and fish oil and horse mackerel operations.

Sales and distribution expenditure as a percentage of revenue increased slightly to 5.4% (2023: 5.3%) due mainly to higher Lucky Star foods inventory storage and handling costs.

Overhead expenditure increased by 6.7% to R1 022 million (2023: R958 million), marginally above inflation due mainly to the impact of higher insurance premiums.

Operating profit increased by 9.5% to R1 632 million (2023: R1 490 million), reflecting stronger gross margins at Daybrook and Lucky Star foods coupled with disciplined cost management.

Net interest expense increased to R226 million (2023: R192 million) primarily due to an increase in borrowings, as a result of lower cash operating profit from the SA operations and higher capital expenditure and working capital investment.

The **effective tax rate** reduced to 20.8% (2023: 23.7%) due to the improved performance of the US fishmeal and fish oil business, which is taxed at a lower rate. The taxation expense includes dividend withholding tax of R18 million (2023: R40 million).

Profit after tax increased by 12.5% to R1 114 million (2023: R990 million) driven by the improved operating performance and favourable tax rate, partially offset by higher interest expenses.

The Group's financial results are reported on a continuing operations basis, excluding the discontinued operations of Commercial Cold Storage and Logistics (CCS) disposed of in the prior year.

CASH FLOW AND FINANCIAL POSITION

Cash generated from operations decreased by 13.5% to R1 468 million (2023: R1 698 million), with higher working capital requirements of R517 million (2023: R133 million) outweighing the improvement in cash operating profit to R1 985 million (2023: R1 831 million).

Capital expenditure increased by R187 million to R645 million (2023: R458 million), driven by strategic investments in SA totalling R215 million to modernise the canneries, fishmeal and fish oil plants, and boiler infrastructure, as well as to commission a new canned meat facility. A further R77 million was spent on the Desert Diamond vessel, covering essential repairs and expedited dry docking costs, and R27 million on expanding squid fishing capacity through the acquisition of five squid vessels. The remainder of the capital expenditure was primarily invested in replacement assets to maintain existing infrastructure.

The Group's net debt increased by R546 million to R2 581 million at the end of the period (2023: R2 035 million). The Group successfully refinanced R896 million of its sustainability-linked SA long-term debt during the year and converted R700 million of short-term into long-term debt. The increase in term debt included R600 million to support the Group's capital investment programme, and R100 million primarily for the squid and canned chicken acquisition opportunities to drive growth. The increase in SA short-term facilities of R258 million relates to financing working capital requirements. The Group's net debt position benefitted from capital repayments which included a USD 2.5 million prepayment in the US, favourable currency translation effect on US Dollar denominated debt and higher cash balances due to strong US cash generation.

The Group's net debt to EBITDA ratio increased to 1.3 times (2023: 1.2 times). The Group complied with all lender covenant requirements relating to both its SA and US debt.

Comments continued

REVIEW OF OPERATIONS

Revenue and operating profit by segment for the year:

Rm Segmental results	Revenue			Operating profit		
	2024	2023	% change	2024	2023	% change
Lucky Star foods	4 591	4 576	0.3%	428	346	23.7%
Fishmeal and fish oil (Africa)	877	977	(10.2%)	79	150	(47.3%)
Fishmeal and fish oil (USA)	3 006	2 697	11.5%	1 178	810	45.4%
Wild caught seafood	1 587	1 737	(8.6%)	(53)	127	(141.7%)
Intercompany eliminations*	–	–	–	–	57	–
Total	10 061	9 987	0.7%	1 632	1 490	9.5%

* Intercompany eliminations between continuing and discontinued operations.

The Group's segmental reporting has been revised to align with the operational structure and growth strategy of the business. Lucky Star foods and Fishmeal and fish oil (Africa) are now segregated and disclosed as two segments, increasing the number of segments from three to four.

LUCKY STAR FOODS

Strong second half demand resulted in total sales volumes of 9.3 million cartons, slightly below the previous year's record 9.6 million cartons. Lucky Star foods continued to focus on affordability and availability, thereby maintaining strong support from customers and consumers. The recent expansion into the canned meat and canned chicken segments gained traction, leveraging the brand's strength and distribution reach.

The local canneries resumed full production in the second half following scheduled first half shutdowns to implement factory upgrades. Consequently, local canning production volumes declined by 22.8% to 4.0 million cartons (2023: 5.2 million cartons) with 22.5% (2023: 18.4%) of raw fish volumes being locally caught pilchards. The recent cannery upgrades started to realise benefits, delivering cost savings, operational efficiencies and improved yields, contributing to an increase in operating profit margin to 9.3% (2023: 7.6%) despite the reduced throughput.

Inventory levels closed 20.2% higher compared to the previous year due to the increased procurement of frozen fish imports in the fourth quarter to secure supply.

FISHMEAL AND FISH OIL (FMO)

FMO (AFRICA)

African fishmeal and fish oil sales volumes declined by 11.5% to 21 319 tons (2023: 24 088 tons) due to lower opening inventory levels and reduced production volumes in the year. Raw material available for production declined due to the combined effect of a 10.6% reduction in pilchard trimmings from the cannery and 6.9% lower anchovy landings, which were affected by prolonged adverse winter weather conditions.

Overall, production yields improved to 23.7% (2023: 23.3%) mainly due to higher fish oil yields. The West Coast plant upgrades, which were completed this year, started to deliver benefits in the latter part of the production season, driving efficiency gains and enhancements in product quality.

Average US Dollar selling prices increased by 12.1% for fish oil, but declined by 10.3% for fishmeal, resulting in a marginal net overall increase. The decrease in sales volumes negatively impacted performance resulting in lower revenue and operating profit.

FMO (USA)

Daybrook delivered an outstanding result, achieving its strongest operating performance to date and contributing 72.2% to the Group's operating profit for the year. The strong performance was achieved mainly through a 17.4% increase in fish oil sales volumes to 14 947 tons (2023: 12 729 tons), driven by higher opening inventory levels and higher production yields, combined with a 49% increase in US Dollar fish oil prices. Earnings benefited from a 2.8% weakening in the Rand, which further enhanced earnings.

Gulf Menhaden landings for the financial year declined by 21.4% to 527 million fish (2023: 671 million fish) due to adverse weather conditions disrupting fishing operations.

Fish oil yields improved materially by 400 basis points to 12.1% for the year (2023: 8.1%), partially offsetting the negative impact of the lower catch volumes. Fishmeal sales volumes reduced by 20.0% to 42 238 tons (2023: 52 804 tons), reflecting the lower fish catch.

Daybrook's operating profit margin increased to 39.2% in the year (2023: 30.0%), with the increase in fish oil US Dollar pricing contributing approximately 12.2% of this margin improvement. Daybrook's prior year operating profit included non-recurring insurance proceeds of R72 million (equivalent to 2.7% operating margin).

Inventory levels closed 5.2% higher than the previous year, with a higher mix of fish oil inventory.

WILD CAUGHT SEAFOOD HAKE

The Hake operations delivered a substantially better performance yet remained short of its optimal potential. Catch volumes increased 36.3% due to the combined effect of increased sea days and improved catch rates. This led to sales volumes increasing by 28.9% to 10 420 tons (2023: 8 086 tons). European demand remained firm, supporting selling prices, although average Rand prices declined due to variations in product mix.

HORSE MACKEREL

The SA horse mackerel operations faced significant challenges with a major mechanical failure on the Desert Diamond vessel resulting in a 66.5% decrease in seadays. Catch rates declined by 49.5% during the operational periods which added to the vessel's poor performance. Consequently, horse mackerel sales volumes in SA were 85.1% lower and operating performance declined significantly.

In Namibia, horse mackerel operating costs increased by 18.3% due to the combination of lower catch rates, down 13.7%, increased fuel costs from the use of more expensive intermediate fuel oil and higher quota usage fees.

Total horse mackerel sales volumes reduced by 14.6% to 38 711 tons (2023: 45 327 tons). Firm consumer demand for horse mackerel was sustained, with average Rand prices easing slightly from the prior year's high level.

LOBSTER AND SQUID

After a slow start the squid fishing season gained momentum in April, with catches substantially improving, to yield a 43.9% annual increase in catch rates. Industry-wide catch rate improvements led to increased supply, resulting in a 24.8% decline in Euro-denominated sales prices for the year. The integration of the Eastern Cape squid acquisition was a primary focus in the last quarter, positioning the squid operations for a strong start to the new fishing season.

South Coast Rock Lobster operations maintained a solid performance while the West Coast Rock Lobster resource has stabilised at historically low levels.

COMMERCIAL COLD STORAGE AND LOGISTICS (CCS LOGISTICS)

Shareholders are reminded that the Group disposed of its interest in CCS Logistics in the prior year. 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 in the previous year. This profit had no impact on headline earnings per share in the previous year, being excluded for the purposes of calculating headline earnings.

DIVIDENDS

The Group declared a final dividend of 300 cents (2023: 305 cents) per share, which together with the interim dividend, brings the total dividend for the year to 495 cents (2023: 435 cents) per share, an increase of 13.8%.

OUTLOOK

The fishmeal and fish oil businesses are expected to face headwinds due to softening global fishmeal and fish oil prices resulting from normalised global supply levels. With the modernisation of the SA fishmeal operations complete, this segment is however well-positioned to leverage the underutilised industrial fish resource, driving operational efficiencies and product quality. Recent biomass stock assessment reports validate the health and resilience of the Gulf Menhaden resource, which will support the drive to increase catch volumes in the US.

As SA's economic outlook improves, a recovery in consumer spending is expected to support Lucky Star food's growth strategy focused on affordability and availability. The recent cannery upgrades will yield increased throughput and cost efficiency enabling sustained affordability. Leveraging the iconic status and distribution reach of the brand, Lucky Star foods will continue to diversify into complementary canned food and adjacent food categories.

The Group remains optimistic about the prospects of the Wild caught seafood business and will drive performance of the upgraded fleet to minimise downtime, enhance efficiencies and maximise catch subject to fish availability. The expanded squid fleet is well positioned for a strong start to the new season.

Following a year of significant capital expenditure, the Group will focus on realising the benefits of this investment. As a result, capital expenditure is expected to revert to normalised levels going forward.

Any forward-looking statements set out in this announcement have not been reviewed or reported on by the auditors.

CHANGES TO THE BOARD AND COMMITTEES

The following changes took place:

- Pooven Viranna was appointed as an independent non-executive director on 11 March 2024 and as a member of the Audit Committee and the Remuneration Committee. Effective 10 September 2024, Pooven was appointed as a member of the Social, Ethics and Transformation Committee.
- Noel Doyle was appointed as an independent non-executive director on 1 November 2024 and as a member of the Audit Committee and the Remuneration Committee.

Mustaq Brey

Chairman

Neville Brink

Chief Executive Officer

Cape Town

25 November 2024

DECLARATION OF FINAL DIVIDEND

Notice is hereby given of dividend number 161. A gross final dividend amounting to 300 cents per share, in respect of the year ended 30 September 2024 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 240 cents per share.

By order of the Board: 22 November 2024

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:

Last day to trade <i>cum</i> dividend	Friday, 20 December 2024
Commence trading <i>ex-dividend</i>	Monday, 23 December 2024
Record date	Friday, 27 December 2024
Dividend payment date	Monday, 30 December 2024

Share certificates may not be dematerialised or rematerialised between Monday, 23 December 2024 and Friday, 27 December 2024 (both dates inclusive).

The short-form announcement is the responsibility of the directors and is only a summary of the information in the Annual Financial Statements of Oceana released on SENS on Monday, 25 November 2024 and does not contain the full or complete details. Any investment decision should be based on the Annual Financial Statements which are available on our website at <https://results.oceana.co.za/year-end-results-2024> and on <https://senspdf.jse.co.za/documents/2024/jse/isse/oce/FY24.pdf> as well as at our JSE sponsor at jsesponsor@standardbank.co.za.

Jayesh Jaga

Group Company Secretary

25 November 2024

Consolidated Statement of Comprehensive Income

for the year ended 30 September 2024

	Notes	2024 Rm	2023 Rm
Revenue	2	10 061	9 987
Cost of sales		(6 862)	(7 134)
Gross profit		3 199	2 853
Sales and distribution expenditure		(543)	(526)
Marketing expenditure		(53)	(58)
Overhead expenditure		(1 022)	(958)
Other income		27	99
Net foreign exchange gain		6	46
Joint ventures and associate profit		18	34
Operating profit		1 632	1 490
Interest income		51	39
Interest expense		(277)	(231)
Profit before taxation		1 406	1 298
Taxation expense		(292)	(308)
Profit after taxation from continuing operations		1 114	990
Profit from discontinued operations ¹		-	353
Profit for the year		1 114	1 343
Other comprehensive income from continuing operations			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Movement on foreign currency translation reserve		(620)	244
Movement on foreign currency translation reserve on joint ventures and associate		(12)	9
Movement on cash flow hedging reserve		(56)	(32)
Income tax related to gain recognised in other comprehensive income		11	7
Movement in other comprehensive income reserves, net of taxation		(677)	228
Total comprehensive income for the year		437	1 571
Profit for the year attributable to:			
Shareholders of Oceana Group Limited		1 107	1 326
Non-controlling interests		7	17
		1 114	1 343
Total comprehensive income for the year attributable to:			
Shareholders of Oceana Group Limited		430	1 554
Non-controlling interests		7	17
		437	1 571
Total comprehensive income attributable to shareholders of Oceana Group Limited from:			
Continuing operations		430	1 202
Discontinued operations		-	352
Total comprehensive income		430	1 554
Earnings per share (cents)			
Total basic earnings per share from			
continuing operations		920.9	1 094.1
discontinued operations		-	290.0
Total diluted earnings per share from		918.3	1 091.5
continuing operations		918.3	802.2
discontinued operations		-	289.3

¹ Profit from discontinued operations relates to the disposal of Commercial Cold Storage Group Limited that was finalised in the prior financial year. Refer to note 10 of the prior year consolidated financial statements for further information relating to the disposal as well as the related profit.

Consolidated Statement of Financial Position

as at 30 September 2024

	Notes	2024 Rm	2023 Rm
ASSETS			
Non-current assets			
Property, plant and equipment and right-of-use assets ¹	4	2 540	2 241
Goodwill and intangible assets	5	5 604	6 077
Interest in joint ventures and associate		264	309
Deferred taxation		47	17
Loans to supply partners		249	196
Derivative asset		7	-
Investments		3	-
Total non-current assets		8 714	8 840
Current assets			
Inventories		3 149	2 792
Trade and other receivables		1 474	1 290
Taxation receivable		34	34
Derivative asset		2	65
Cash and cash equivalents		762	453
Total current assets		5 421	4 634
Assets held for sale		-	9
Total assets		14 135	13 483
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		1 094	1 113
Foreign currency translation reserve		1 369	2 001
Cash flow hedging reserve		-	45
Share-based payment reserve		113	102
Distributable reserve		5 001	4 521
Interest of own shareholders		7 577	7 782
Non-controlling interests		141	187
Total capital and reserves		7 718	7 969
Non-current liabilities			
Deferred taxation		515	645
Borrowings	6	2 643	1 895
Lease liabilities		142	153
Employee accruals		9	30
Liability for share-based payments		-	10
Total non-current liabilities		3 309	2 733
Current liabilities			
Borrowings	6	237	376
Short-term banking facility		461	203
Lease liabilities		34	26
Employee accruals		38	8
Trade and other payables		2 315	2 139
Bank overdraft facilities		2	14
Taxation payable		1	15
Liability for share-based payments		20	-
Total current liabilities		3 108	2 781
Total liabilities		6 417	5 514
Total equity and liabilities		14 135	13 483

¹ Right-of-use assets were disclosed separately in 2023 and has been represented and included in Property, plant, equipment and right-of-use assets. The supporting note was also amended.

Consolidated Statement of Changes in Equity

for the year ended 30 September 2024

	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	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
Balance as at 1 October 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								244
Movement on foreign currency translation reserve from joint ventures and associate	-	9	-	-	-	9	-	9								9
Movement on cash flow hedging reserve	-	-	(32)	-	-	(32)	-	(32)								(32)
Income tax related to loss recognised in equity	-	-	7	-	-	7	-	7								7
Profit for the year	-	-	-	-	1 326	1 326	17	1 343								1 343
Transfers between reserves	(16)	8	-	(14)	22	-	-	-								-
Increase in treasury shares held	(96)	-	-	-	-	(96)	-	(96)								(96)
Share-based payment expense	-	-	-	64	-	64	-	64								64
Share-based payment exercised	-	-	-	(36)	-	(36)	-	(36)								(36)
Distribution to Oceana Saam-Sonke beneficiaries	-	-	-	-	(6)	(6)	-	(6)								(6)
Dividends	-	-	-	-	(511)	(511)	-	(511)								(511)
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								7 969
Total comprehensive income for the year	-	(632)	(45)	-	1 107	430	7	437								437
Movement on foreign currency translation reserve	-	(620)	-	-	-	(620)	-	(620)								(620)
Movement on foreign currency translation reserve from joint ventures and associate	-	(12)	-	-	-	(12)	-	(12)								(12)
Movement on cash flow hedging reserve	-	-	(56)	-	-	(56)	-	(56)								(56)
Income tax related to loss recognised in equity	-	-	11	-	-	11	-	11								11
Profit for the year	-	-	-	-	1 107	1 107	7	1 114								1 114
Transfers between reserves	2	-	-	(4)	2	-	-	-								-
Increase in treasury shares held	(52)	-	-	-	-	(52)	-	(52)								(52)
Share-based payment expense	-	-	-	46	-	46	-	46								46
Share-based payment exercised	31	-	-	(31)	-	-	-	-								-
Distribution to Oceana Saam-Sonke beneficiaries	-	-	-	-	(6)	(6)	-	(6)								(6)
Dividends	-	-	-	-	(606)	(606)	-	(606)								(606)
Increase in investment in subsidiary	-	-	-	-	(17)	(17)	4	(13)								(13)
Balance as at 30 September 2024	1 094	1 369	-	113	5 001	7 577	141	7 718								7 718

Consolidated Statement of Cash Flows

for the year ended 30 September 2024

	2024	2023
	Rm	Rm
Cash generated from operations	1 468	1 698
Interest income received	36	28
Interest paid	(274)	(213)
Taxation paid	(390)	(402)
Dividends paid	(669)	(563)
Cash inflows from operating activities	171	548
Purchases of property, plant and equipment	(651)	(482)
Purchases of intangible assets	(31)	(8)
Proceeds on disposal of property, plant and equipment	2	10
Advances to supply partners	(27)	(17)
Loans repaid from supply partners	9	5
Investment in subsidiary	(16)	-
Proceeds on disposal of non-current assets held for sale	23	-
Proceeds on disposal of CCS Logistics	-	713
Cash (outflows)/inflows from investing activities	(691)	221
Repurchase of treasury shares	(52)	(97)
Long-term borrowings repaid	(872)	(827)
Long-term borrowings raised	1 822	300
Transaction costs capitalised on loans	(2)	(11)
Short-term loans repaid	(222)	(240)
Short-term banking facility raised	6 349	6 852
Short-term banking facility repaid	(6 091)	(6 725)
Increase in investment in subsidiary	(14)	-
Repayment of principal portion of lease liability	(30)	(38)
Purchase of treasury shares for the settlement of long-term incentives	-	(38)
Cash inflows/(outflows) from financing activities	888	(824)
Net increase/(decrease) in cash and cash equivalents	368	(55)
Cash and cash equivalents at the beginning of the year	439	487
Effect of exchange rate changes on cash and cash equivalents	(47)	7
Cash and cash equivalents at end of the year	760	439

Notes to the Consolidated Financial Statements

for the year ended 30 September 2024

1. BASIS OF PREPARATION

The results booklet includes extracts from the Group's short-form announcement as well as the audited Group Annual Financial Statements (AFS), but is not in itself audited. The Group AFS were audited by Forvis 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/year-end-results-2024>.

The directors take full responsibility for the preparation of the results booklet. The auditor's report included in the Group AFS does not 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

	2024	2023
	Rm	Rm
The main categories of revenue and the segment to which they relate are set out below:		
Lucky Star foods		
Sale of goods	4 564	4 561
Fishmeal and fish oil (Africa)	877	977
Sale of goods	852	953
Incidental services (incidental freight and insurance)	25	24
Fishmeal and fish oil (USA)		
Sale of goods	3 006	2 697
Wild caught seafood	1 529	1 619
Sale of goods	1 508	1 603
Incidental services (incidental freight and insurance)	21	16
Other non-trade revenue		
Lucky Star foods	27	14
Wild caught seafood	58	119
	10 061	9 987

Other non-trade revenue includes quota fees R35 million (2023: R52 million) and fee income R50 million (2023: R80 million). Refer to note 5 for further information relating to revenue by geographical region.

Notes to the Consolidated Financial Statements continued

for the year ended 30 September 2024

3. SEGMENTAL RESULTS

2024	Lucky Star foods ²	Fishmeal and fish oil (Africa)	Fishmeal and fish oil (USA)	Wild caught seafood	Total Continuing Operations
	Rm	Rm	Rm	Rm	Rm
Statement of comprehensive income					
Gross revenue	4 591	878	3 006	1 594	10 069
Inter-segmental revenue	–	(1)	–	(7)	(8)
Revenue	4 591	877	3 006	1 587	10 061
Cost of sales	(3 552)	(577)	(1 521)	(1 212)	(6 862)
Gross profit	1 039	300	1 485	375	3 199
Overhead expenditure	(349)	(156)	(183)	(334)	(1 022)
Other operating income/(expenditure) ¹	(262)	(65)	(124)	(94)	(545)
Operating profit	428	79	1 178	(53)	1 632
The above operating profit includes the following:					
Joint ventures and associate profit	4	–	14	–	18
Depreciation and amortisation	55	29	109	102	295
Distribution expenditure	154	57	92	87	390
Employment costs	517	214	214	426	1 371
Fuel and energy costs	24	77	35	384	520
Fish products purchased	2 051	–	865	–	2 916
Materials and packaging used in production	1 229	1	1	91	1 322
Repairs and maintenance	14	75	113	39	241
Risk and loss	41	10	183	27	261

Included in 2024 revenues arising from Lucky Star foods are revenues of approximately R1 432 million (2023: R1 298 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 2024 or 2023.

¹ Other operating income/(expenditure) relates to sales and distribution expenditure, marketing expenditure, other income, foreign exchange gains or losses and profit from joint ventures and associates.

² In line with the Group's strategy going forward, the chief operating decision-maker ("CODM") changed segments from three to four in the current financial year.

Statement of financial position					
Total assets	3 542	755	8 679	1 159	14 135
Total liabilities	3 787	149	2 081	400	6 417
The above amounts of assets includes the following:					
Additions to property, plant and equipment, right of use assets and intangible assets	226	174	102	215	717
Interest in joint ventures and associate	57	–	207	–	264

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

2024 Region	South Africa and Namibia	Other Africa	North America	Europe	Far East	Other	Total
	Rm	Rm	Rm	Rm	Rm	Rm	Rm
Revenue	5 081	604	1 462	2 626	168	120	10 061
Non-current assets (excluding deferred tax assets)	1 957	–	6 710	–	–	–	8 667

3. SEGMENTAL RESULTS CONTINUED

2023	Lucky Star foods ³	Fishmeal and fish oil (Africa)	Fishmeal and fish oil (USA)	Wild caught seafood	Intercompany eliminations between continuing and discontinued operations ²	Total continuing operations
	Rm	Rm	Rm	Rm	Rm	Rm
Statement of comprehensive income						
Gross revenue	4 576	979	2 697	1 754	-	10 006
Inter-segmental revenue	-	(2)	-	(17)	-	(19)
Revenue	4 576	977	2 697	1 737	-	9 987
Cost of sales	(3 626)	(611)	(1 646)	(1 251)	-	(7 134)
Gross Profit	950	366	1 051	486	-	2 853
Overhead expenditure	(372)	(165)	(175)	(303)	57	(958)
Other operating income/(expenditure) ¹	(232)	(51)	(66)	(56)	-	(405)
Operating profit	346	150	810	127	57	1 490

The above operating profit includes the following:

Joint ventures and associate (loss)/profit	(6)	-	40	-	-	34
Depreciation, amortisation and impairment	53	18	98	92	-	261
Distribution expenditure	161	53	122	64	-	400
Employment costs	514	210	203	383	-	1 310
Fuel and energy costs	23	80	44	387	-	534
Fish products purchased	1 759	-	1 087	-	-	2 846
Materials and packaging used in production	1 433	1	3	90	-	1 527
Repairs and maintenance	14	77	116	97	-	304
Risk and loss	37	6	170	24	-	237

Statement of financial position

Total assets excluding assets held for sale	3 212	210	9 237	815	-	13 474
Total liabilities	2 409	152	2 459	494	-	5 514

The above amounts of assets includes the following:

Additions to property, plant and equipment, right of use assets and intangible assets	158	21	123	191	-	493
Interest in joint ventures and associate	54	-	255	-	-	309

¹ Other operating income/(expenditure) relates to sales and distribution expenditure, marketing expenditure, other income, foreign exchange gains or losses and profit from joint ventures and associates.

² 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 Accounting Standards. This includes the consolidation reversal of CCS depreciation for the year up to date of sale in line with the requirements of IFRS 5.

³ In line with the Group's strategy going forward, the chief operating decision-maker ("CODM") changed segments from three to four in the current financial year. The prior year segmental note has been restated to ensure comparability.

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

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

Notes to the Consolidated Financial Statements continued

for the year ended 30 September 2024

4. PROPERTY, PLANT, EQUIPMENT AND RIGHT-OF-USE ASSETS

	Freehold land and buildings	Leasehold land and buildings	Plant, equipment and vehicles	Fishing vessels and nets	Right-of-use assets	Total
	Rm	Rm	Rm	Rm	Rm	Rm
2024						
Cost	1 037	119	2 221	1 057	186	4 620
Accumulated depreciation and impairment losses	(397)	(34)	(1 045)	(531)	(73)	(2 080)
Net book value at 30 September 2024	640	85	1 176	526	113	2 540
2023						
Cost	1 017	75	1 949	800	153	3 994
Accumulated depreciation and impairment losses	(379)	(26)	(1 105)	(466)	(69)	(2 045)
Net book value at 30 September 2023	653	67	972	435	114	2 241

* The property, plant, equipment and right-of-use asset note was represented by combining the property, plant and equipment and the right-of-use asset notes which were disclosed separately in 2023.

5. GOODWILL AND INTANGIBLE ASSETS

	Goodwill	Trademark	Intellectual property	Fishing rights	Non- competes	Computer software	Total
	Rm	Rm	Rm	Rm	Rm	Rm	Rm
2024							
Cost	4 186	276	1 052	189	118	127	5 948
Accumulated amortisation	-	(45)	-	(119)	(116)	(60)	(340)
Accumulated impairment	-	-	-	-	-	(4)	(4)
Net book value at 30 September 2024	4 186	231	1 052	70	2	63	5 604
2023							
Cost	4 551	298	1 153	162	130	136	6 430
Accumulated amortisation	-	(46)	-	(115)	(125)	(63)	(349)
Accumulated impairment	-	-	-	-	-	(4)	(4)
Net book value at 30 September 2023	4 551	252	1 153	47	5	69	6 077

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 a decrease of R514 million (2023: increase of R242 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

	2024	2023
	Rm	Rm
South African Rand-denominated loans	1 625	775
US Dollar-denominated term loan	1 255	1 496
Total borrowings	2 880	2 271
Categorised between non-current and current portions		
Non-current portion of liabilities	2 643	1 895
Current portion of liabilities	237	376
Total borrowings	2 880	2 271

The South African Rand-denominated loans include term loans of R1 596 million (2023: R769 million) which bear interest at a rate of JIBAR plus average margin of 1.49% (2023: 1.60%). This includes both the term loan and revolving credit facility. These loans are repayable through a combination of semi-annual and bullet instalments with the final principal instalment of all loans due on 02 July 2029. The Group undertook a term debt refinance during the financial year, which increased term loans from R896 million to R1 596 million. The loans are secured by intercompany guarantees provided by Oceana Group Limited, 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 255 million/USD 73 million (2023: R1 496 million/USD 79 million) owing by Daybrook. The Daybrook borrowings bear interest at a rate of SOFR plus applicable margin of 1.75% (2023: 1.75%) which varies with the total net leverage ratio at the pricing date. During the current year, the Group repaid R123 million/USD 7 million (2023: R368 million/USD 20 million) of Daybrook borrowings. In addition, Daybrook entered into revised interest swap agreements in terms of the Group's interest management strategy. Refer to note 20 for further detail on the interest swaps. The balance of the loan is exposed to the current SOFR. The facility is structured as an amortisation payment facility repayable in quarterly instalments 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..

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 at least 12 months from September 2024 (last date of testing).

	2024		2023	
	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	2.50	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	2.50	Yes
Fixed cover	1.25	Yes	1.25	Yes

Notes to the Consolidated Financial Statements continued

for the year ended 30 September 2024

7. EARNINGS AND HEADLINE EARNINGS PER SHARE

7.1 CALCULATION OF WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

	2024	2023
	Shares	Shares
Weighted average number of ordinary shares	130 431 804	130 431 804
Less: weighted average number of Treasury shares held by:		
Oceana Empowerment Trust (OET)	(100 242)	(107 280)
Lucky Star Limited	(693 271)	(249 825)
Oceana Group Share Trust	(16 500)	(16 500)
Oceana Saam-Sonke Trust	(7 825 908)	(7 825 908)
Oceana Stakeholder Empowerment Trust (OSET)	(652 159)	(652 159)
Oceana Group Limited	(970 751)	(377 668)
Weighted average number of ordinary shares used in the calculation of basic earnings and headline earnings per share	120 172 973	121 202 464
Shares deemed to be issued for no consideration in respect of unexercised share options	339 007	284 896
Weighted average number of ordinary shares used in the calculation of diluted earnings and diluted headline earnings per share	120 511 980	121 487 360

7.2 DETERMINATION OF HEADLINE EARNINGS

	2024		2023	
	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		1 107		1 326
Loss after tax from discontinued operations		-		29
Earnings from continuing operations		1 107		1 355
Adjusted for:				
Reversal of impairment of property plant and equipment	(4)	(2)	-	-
Profit on disposal of assets held for sale	(14)	(9)	-	-
Net loss on disposal of property, plant and equipment	8	7	2	1
Insurance proceeds on capital items	-	-	(3)	(2)
Scrapping of property, plant and equipment and intangible assets	-	-	11	7
Profit on disposal of CCS Logistics	-	-	(477)	(381)
Headline earnings for the year attributable to the shareholders of the parent from continued operations		1 103		980
Earnings from discontinued operations				
Loss from discontinued operations after tax		-		(29)
Headline earnings for the year attributable to the shareholders of the parent from discontinued operations		-		(29)
Headline earnings for the year		1 103		951
Headline earnings per share (cents)				
– Basic		917.6		784.4
continuing operations		917.6		808.8
discontinued operations		-		(24.4)
– Diluted		915.1		782.6
continuing operations		915.1		807.0
discontinued operations		-		(24.4)

8. EVENTS AFTER THE REPORTING DATE

Management is not aware of events that occurred beyond the year end up to the date of approval of these financial statements that could have a material impact to the Group's reported results as at 30 September 2024 and that would require separate disclosure in these financial statements.

Directorate and statutory information

Directors and officers as at 30 September 2024:	Mr MA Brey (Chairman), Mr PG de Beyer (Lead Independent Director), Mr N Brink* (Chief Executive Officer), Mr Z Mahomed* (Chief Financial Officer), Mr PJ Golesworthy, Mr A Jakoet, Mr NA Pangarker, Ms L Sennelo, Ms NV Simamane, Ms TM Mokgosi-Mwantembe, Ms P Viranna (appointed 11 March 2024), Mr N Doyle (appointed 1 November 2024) (*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:	Forvis Mazars
Company Secretary:	Mr J Jaga
JSE /A2X share code:	OCE
NSX share code:	OCG
ISIN:	ZAE000025284