FINAL MEDIA RELEASE

Oceana delivers record first-half performance

- **Strong Daybrook earnings and sustained Lucky Star performance drive results**
- **Group invests in SA through substantial capital expansion programme**

Another strong performance from the US subsidiary, Daybrook, and a solid performance from the iconic Lucky Star brand contributed to a strong first half for the Oceana Group.

Profit after tax from continuing operations for the six months to March 2024 increased by 74.2% to R716 million and headline earnings per share from continuing operations increased 84.6% to 578.8 cents.

Oceana CFO, Zaf Mahomed said "the board declared a 50% increase in the interim dividend to 195 cents per share recognising our strong financial performance for the first half and taking into consideration our capital expenditure program.

"We believe that this balanced approach to returning capital to shareholders while investing in our business will create long-term value for all stakeholders and position Oceana for sustained growth," says Mahomed.

The growth resulted mainly from Daybrook managing its inventory to capitalise on high demand for fish oil at record US-dollar prices. This was underpinned by Lucky Star's strong value offering, resulting in improved second-quarter sales volumes of canned food.

Revenue from continuing operations was up 12.1% to R5.0 billion and the gross margin increased by 700 basis points to 34.1%. Overhead expenditure was well contained below inflation.

Net debt was 16.7% lower at R2.5 billion primarily due to term-debt settlement. This was partially offset by increased borrowings in South Africa to fund capital expenditure and working capital requirements. Capital expenditure included a R132 million upgrade of the West Coast canned fish and fishmeal plants and completion of a new canned meat plant.

Oceana CEO, Neville Brink, said prudent cash and capital management had allowed the Group to invest in its business. This included upgrades to factories and vessels to improve efficiencies, expand the successful and trusted Lucky Star brand and take advantage of bolt-on acquisition opportunities.

"We are already seeing the benefits of factory and vessel upgrades through efficiencies and enhanced product quality. The R 100 million Lucky Star canned meat plant is the first investment of its kind on the West Coast in at least 20 years and will enable us to meet increasing demand for affordable protein. We have also acquired majority stakes in a canned chicken liver and a squid business. These investments strengthen and complement the Group's existing strategic pillars, diversified across canned food, fishmeal and fish oil and wild caught seafood, and will contribute to its medium-term growth."

During the half, Lucky Star's value offering resulted in sales of 4.8 million cartons, off the back of a record 5 million sold in the previous first half.

Daybrook's high opening inventory and good fish-oil yields from end-of-season October landings resulted in fish oil sales almost doubling to 9 671 tons. Global supply and demand dynamics saw US-dollar pricing for fish oil increase by more than 70% over the prior period. This contributed to an exceptional first half performance.

The wild-caught seafood segment was impacted by a major breakdown of the Desert Diamond, contributing to a 67% reduction in South African horse mackerel catch volumes. A planned refit of the vessel was brought forward to improve utilisation in the second half. In Namibia, poorer horse mackerel catch rates resulted in lower sales volumes countered by strong demand and rand prices.

Hake sales volumes increased by 21% attributed to the recent vessel upgrades which improved utilisation and allowed more fishing days. Strong European demand and pricing resulted in stronger rand prices. The Isabella Marine was sold for a profit of R9 million.

Brink said Lucky Star will continue to benefit from cost management, production efficiencies at the refurbished plants and improved canned meat sales now the new factory is in full production. It has acquired a 75% stake in a canned chicken liver business in the Eastern Cape which supplies the Department of Basic Education to meet growing demand in school feeding. This addition will enable Lucky Star to leverage its brand strength and depth of distribution.

He expects fish oil prices to remain firm in the short- to medium-term. Although the Peru quota allocation has increased and the season's landings are positive, prices are unlikely to return to historical levels due to demand from the growing aquaculture sector.

Squid catch rates have improved in the second half. The Group is positioned to benefit from the export demand for squid and is in the process, together with an Eastern Cape empowerment partner, to acquire a squid business owning five vessels and 77 fishing licences.

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Ends

The Oceana Group is a global fishing and food processing company with a strong, experienced management team, and businesses that operate across the full value-chain which includes catching or procuring, processing, distributing, and selling.

It is Africa's largest fishing company with a history dating back over 105 years. It has been listed on the Johannesburg Stock Exchange (JSE) for over 75 years, as well as being listed on the Namibian (NSX) and A2X stock exchanges.

Oceana has nearly 4 000 employees based across South Africa, Namibia, and the United States. The Group operates 54 vessels and eight production facilities across three countries on two continents, selling products to customers in 41 countries.

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