



# UNAUDITED INTERIM RESULTS

For the six months ended 31 March 2023



OCEANA GROUP

— POSITIVELY IMPACTING LIVES —

# HIGHLIGHTS

FOR THE SIX MONTHS ENDED 31 MARCH 2023

CONTINUING  
OPERATIONS\*

REVENUE

▲ 48%

OPERATING PROFIT

▲ 88%

PROFIT BEFORE TAX

▲ 103%

EARNINGS PER SHARE

▲ 138%

HEADLINE EARNINGS  
PER SHARE

▲ 123%

INTERIM  
DIVIDEND

▲ 136%

130 CENTS PER SHARE

(2022: 55 CENTS PER SHARE)

NET DEBT  
TO EBITDA\*\*

1.6x

(2022: 1.8x)

\* Commercial Cold Storage and Logistics (CCS Logistics) is accounted for as a discontinued operation in line with IFRS 5 – Non-Current assets held-for-sale and discontinued operations

\*\* Leverage ratio as at 31 March 2023 and excludes the effect of the sale of CCS Logistics which was completed on 4 April 2023

# Comments

## GROUP OVERVIEW

The Group delivered a strong performance for the six months ended 31 March 2023 in tough operating conditions which saw consumers under ever increasing pressure from rising interest rates, lower disposable income, high inflation and the effects of increased loadshedding in South Africa (SA). This performance highlights the strength of being a diversified Group across species, geographies and currencies. Higher opening inventory levels of canned fish, fishmeal and fish oil, strong demand for canned fish and continued price improvements for most of its products, particularly fish oil, enabled the Group to counter the effects of these tough operating conditions.

**Revenue** from continuing operations increased by 47.8% to R4.5 billion (March 2022: R3.0 billion) with good stock availability and strong demand for affordable protein driving consumption across the product range. Revenue also benefitted from improved pricing, particularly for fish oil, driven by constrained global supply and the effect of the weaker rand exchange rate on export and US-dollar translated revenue.

**Operating profit** from continuing operations increased by 87.5% to R648 million (March 2022: R345 million) and by 92.7% to R663 million (March 2022: R344 million) from total operations.

**Gross margin** from continuing operations remained flat at 27.1% (March 2022: 27.2%) with strong fishmeal and fish oil pricing in US-dollar terms offset by the effect of the weaker currency on the cost of imported frozen fish for Lucky Star.

**Sales and distribution expenditure** from continuing operations increased year-on-year by R47 million in line with revenue growth. As a percentage of revenue, these costs decreased to 4.5% (March 2022: 5.1%), which included savings in freight and container costs in US-dollar terms.

**Overhead expenditure** from continuing operations increased by 21.2% to R416 million (March 2022: R343 million), mainly attributable to an increase in employment costs, which included provisions for variable pay and filling positions that were vacant in the prior period, and partially offset by non-recurring legal and audit fees.

**Other income** of R72 million related to insurance proceeds following the finalisation of the 2021 Hurricane Ida insurance claim. The comparative period included insurance proceeds for Hurricane Ida of R63 million and the Kwa-Zulu Natal civil unrest events of R9 million.

**Loss from joint ventures and associate** of R17 million (March 2022: loss of R29 million) related mainly to the Westbank Fishing operation, which was in its off season for most of the period.

**Net-interest expense** from continuing operations increased to R96 million (March 2022: R74 million). The higher interest expense resulted from unhedged interest rate increases, the translation of US-dollar interest at a weaker rand exchange rate and higher short-term borrowings to replenish inventory levels.

**The effective tax rate** from continuing operations reduced to 25.5% (March 2022: 32.6%) due to the improved performance of the USA fishmeal and fish oil business, which is taxed at a lower rate, and the decrease in SA's corporate income tax rate. The discontinued operation includes R17 million of dividends tax and capital gains tax relating to the predisposal dividends paid to the Group in respect of CCS Logistics.

## HEADLINE EARNINGS

Headline earnings for the period are summarised in the table below:

	Unaudited six months ended 31 Mar 2023	Unaudited restated six months ended 31 Mar 2022	%
	<b>R'000</b>	<b>R'000</b>	<b>change</b>
Headline earnings from total operations	<b>363 714</b>	153 377	137.1
Headline earnings from continuing operations	<b>381 312</b>	170 418	123.8
Weighted average number of shares ('000's)	<b>121 624</b>	121 390	0.2
<b>Headline earnings per share (cents)</b>			
Basic headline earnings per share	<b>299.1</b>	126.4	136.7
Continuing operations	<b>313.5</b>	140.4	123.3
Discontinued operations	<b>(14.4)</b>	(14.0)	2.9

## CASH FLOW AND FINANCIAL POSITION

Cash generated from operations grew by 60.5% to R563 million (March 2022: R350 million), driven by the improved operating performance. This was offset by the increased investment in canned fish and fishmeal inventory levels.

Capital expenditure was R205 million (March 2022: R116 million) which included R37million expenditure in the USA fishmeal and fish oil business to increase plant throughput and vessel utilisation. In SA, R40 million related to the upgrade and expansion of our canned fish and fishmeal production facilities on the West Coast.

Gross debt reduced by 11.8% in SA and by 6.9% in the United States (US) in US-dollar terms. US dollar-denominated debt increased on translation due to a weaker rand exchange rate. The Group complied with all lender covenant requirements relating to both its SA and US debt.

The Group ended the period with net debt of R3.0 billion (March 2022: R2.2 billion), higher mainly due to increased working capital requirements and the translation of US-dollar debt at a weaker rand exchange rate. Repayment on term debt of R147 million (March 2022: R90 million) was made during the period. The net debt to EBITDA ratio improved to 1.6x (March 2022: 1.8x) as a result of the improved operating performance.

## REVIEW OF OPERATIONS

	Revenue			Operating profit		
	Unaudited six months ended	Unaudited restated six months ended	%	Unaudited six months ended	Unaudited restated six months ended	%
	31 Mar 2023	31 Mar 2022		31 Mar 2023	31 Mar 2022	
Segmental results	R'000	R'000	change	R'000	R'000	change
Canned fish and fishmeal (Africa)	<b>2 545 996</b>	1 840 205	38.4	<b>134 143</b>	165 479	(18.9)
Fishmeal and fish oil (USA)	<b>1 023 896</b>	402 852	154.2	<b>370 208</b>	46 418	697.6
Wild caught seafood <sup>1</sup>	<b>927 607</b>	800 665	15.9	<b>108 034</b>	104 524	3.4
<b>Total continuing operations<sup>2</sup></b>	<b>4 497 499</b>	3 043 722	47.8	<b>612 385</b>	316 421	93.5
Commercial cold storage and logistics <sup>2</sup>	<b>171 739</b>	135 538	26.7	<b>50 519</b>	27 658	82.7
<b>Total</b>	<b>4 669 238</b>	3 179 260	46.9	<b>662 904</b>	344 079	92.7

<sup>1</sup> Wild caught seafood was previously called Horse mackerel, hake, lobster, and squid.

<sup>2</sup> Operating profit for total continuing operations has been restated to account for the reversion to equity accounting of Westbank as an associate and is before the respective elimination of intercompany revenue and support services expenditure between continuing and discontinued operations of R35 million (March 2022: R29 million). Refer to note 4 and 13 for further detail.

## CANNED FISH AND FISHMEAL (AFRICA)

Lucky Star's sales volumes increased by 20.9%, achieving a record 5.0 million cartons (March 2022: 4.2 million cartons). Improved opening inventory levels ensured growing demand for affordable and shelf-stable protein was fully met. The improvement in selling price over the period was, however, insufficient to offset cost pressures, particularly the impact of the weaker rand/US-dollar exchange rate on the cost of imported frozen fish. This resulted in lower operating margins in comparison to the prior period.

Local canning production volumes increased marginally by 2.6% to 2.5 million cartons (March 2022: 2.4 million cartons). Of the raw fish volumes processed during the period, 20.3% (March 2022: 15.0%) were fresh. The varying size mix and specifications of imported frozen fish reduced production yield, and labour efficiencies and increasing production costs further contributed to the decline in margin. The increasing incidence of loadshedding resulted in greater reliance on generators to sustain production, which directly increased energy costs by R6 million in the half.

Canned fish inventory levels closed 86.7% higher than the prior period, ensuring continuity of supply of Lucky Star into the second half to meet ongoing demand.

Africa fishmeal and fish oil sales volumes were up 39.0% to 5 944 tons (March 2022: 4 277 tons), driven by improved opening stock levels, higher landings and increased pilchard offcut volumes. Landings of red eye and anchovy improved by 75.7% to 24 766 tons (March 2022: 14 092 tons) with good early season catches. Offcuts from the cannery increased by 8.2% to 13 119 tons (March 22: 12 127 tons). Overall, production yields reduced to 24.1% (March 2022: 26.0%) mainly due to lower fish oil yields. Loadshedding has adversely impacted production efficiency and has increased energy costs, with the reliance on generators resulting in incremental cost of R12 million for the half.

Strong US-Dollar pricing for fishmeal and fish oil, together with the weaker rand exchange rate contributed to an improved performance.

## FISHMEAL AND FISH OIL (USA)

The fishing season in the United States commenced mid-April and runs for 28 weeks to the end of October each year. Improved opening stock levels, off the back of excellent landings in the 2022 season, contributed to fishmeal sales volumes increasing by 78.4% to 21 895 tons (March 2022: 12 274 tons) and fish oil sales volumes increasing to 4 852 tons (March 2022: 1 933 tons).

Global supply and demand dynamics continued to drive strong US-dollar pricing of fishmeal and fish oil. Subdued second-season anchovy landings and fish oil yields in Peru, together with stable demand, resulted in US-dollar fishmeal prices increasing by 10.6% and fish oil US-dollar prices increasing by 59.5% compared to the prior period.

Performance also benefitted from the effect of the weaker exchange rate on the translation of US-dollar earnings in the United States. The receipt of the additional Hurricane Ida insurance proceeds of R72 million (March 2022: R63 million) was included in earnings from the US for the period.

Fishmeal and fish oil inventory levels closed higher than the prior period at 13 306 tons (March 2022: 3 315 tons).

## WILD CAUGHT SEAFOOD

Horse mackerel volumes caught in SA were 52.1% down on the prior period. The 30.3% lower catch rate was due to La Niña climatic conditions, and the associated higher sea temperatures, extending into 2023 and the Desert Diamond undergoing a planned main engine overhaul. In Namibia, horse mackerel volumes landed improved by 40.0% with an increase in both sea days and catch rates. Fishing days in the prior period were impeded by scheduled vessel maintenance.

Hake catches reduced by 35.0% due to both fewer fishing days and poorer catch rates. The reduction in fishing days resulted from a combination of both planned and unplanned vessel maintenance in the half. Following the successful renewal of fishing rights for 15 years, the Group has commenced with its programme to upgrade and enhance its hake fishing fleet. The cost of operating the horse mackerel and hake fleet continued to be hampered by high fuel costs in the period.

Horse mackerel and hake sales volumes in total remained flat at 29 920 tons (March 2022: 29 771 tons). Strong demand for affordable protein together with the weaker rand effect on export revenue resulted in horse mackerel and hake rand prices improving by 17.7% and 20.6% respectively.

Higher sales volumes and strong European demand and pricing resulted in an improved performance for squid in the period.

## CCS LOGISTICS (DISCONTINUED OPERATION)

A recovery in occupancy levels to 90.9% (March 2022: 73.2%) across all regions resulted in a strong operating performance for the period.

Occupancy rates in the Western Cape benefitted from increased frozen fish holdings primarily driven by the replenishment of Lucky Star's inventory levels. Increased poultry volumes in Gauteng and good horse mackerel catch rates in Namibia improved occupancy levels in these two regions.

## DISPOSAL OF CCS LOGISTICS

The Group announced the disposal of CCS Logistics for R760 million on 4 October 2022, to enable it to allocate capital to opportunities more aligned to its strategic objectives and core strengths in the global protein sector. On 3 April 2023, the Group announced that all conditions precedent had either been fulfilled or waived and the implementation of the transaction was effective 4 April 2023.

After the reporting period, the Group used the net proceeds from the sale of the CCS Logistics to settle debt in South Africa which will reduce interest expense and improve the leverage ratio in the second half. The profit from the sale of CCS Logistics will be reported in the Group's full year financial results.

## COMPARATIVE INFORMATION

All comparative information has been restated for (i) the reversion in the accounting treatment of the Group's 25% investment in Westbank to that of an associate as opposed to a joint operation and (ii) the treatment of the CCS Logistics business as a discontinued operation, in line with IFRS 5: Non-current Assets Held for Sale and Discontinued Operations, for reporting purposes, following the disposal of this business as outlined above. Refer to note 10 in the condensed consolidated financial statements for further detail.

## DIVIDENDS

The Board declared an interim dividend of 130 cents (March 2022: 55 cents) per share which represents an increase of 136%.

## OUTLOOK

In South Africa, tough operating conditions and the pressure on consumers are expected to continue. Promotional activity and brand investment in Lucky Star will continue to drive volumes at relatively affordable prices to its consumers. The pilchard Total Allowable Catch (TAC) was increased by 30% to 39 000 tons based on scientific data received from the small pelagic survey which will drive a higher mix of fresh fish. Increased volumes, improved yields and increased fresh fish landings at our local production facilities will contribute to improved profitability.

# Comments continued

A weaker rand/US-dollar exchange rate will increase margin pressure on Lucky Star; however, the Group remains naturally hedged against currency volatility with a higher proportion of export and US-dollar denominated earnings weighted to the second half.

Early season anchovy and gulf menhaden landings have shown positive signs which reflect the investments made in catch and processing efficiency improvements in the off-season. Fishmeal and fish oil demand and pricing is expected to remain firm for the remainder of the year given the current market dynamics and uncertainty over Peru's anchovy quota allocations due to the El Niño event being experienced along the Peruvian coast.

The impact of loadshedding on both energy costs and production efficiencies remains a risk to both our West Coast production facilities. The Group is investing in energy solutions to mitigate this risk.

Investment in the hake and horse mackerel fleet will continue in the second half, including the programme to convert vessels from freon to ammonia. Strong demand and pricing for horse mackerel and hake is expected to continue given demand for affordable protein.

## CHANGES TO THE BOARD AND COMMITTEES

Mr R Buddle stepped down as interim Chief Financial Officer ("CFO") and executive director of the Board on 31 January 2023. Mr Z Mahomed was appointed as CFO Designate effective 1 November 2022 and assumed office as the Group's CFO and executive director of the Board effective 1 February 2023.

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

Ms Z Bassa retired as an independent non-executive director of the Board, chairperson of the Audit Committee, member of the Risk Committee and member of the Corporate Governance and Nominations Committee.

Mr P Golesworthy, an independent non-executive director and member of the Audit Committee, assumed the position as chairperson of the Audit Committee and was appointed as a member of the Corporate Governance and Nominations Committee.

Mr P de Beyer, an independent non-executive director stepped down as chairperson of the Remuneration Committee and will remain a member of the Remuneration Committee.

Ms T Mokgosi-Mwantembe, an independent non-executive director and member of the Remuneration Committee, assumed the position as chairperson of the Remuneration Committee and member of the Corporate Governance and Nominations Committee.

On behalf of the Board



**Mr MA Brey**  
Chairperson  
Cape Town  
5 June 2023



**Mr N Brink**  
Chief Executive Officer

## DECLARATION OF INTERIM DIVIDEND

Notice is hereby given of dividend number 158. An interim dividend amounting to 130.0 cents per share, for the six months ended 31 March 2023, was declared on 5 June 2023, 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 104.0 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:

Last day to trade cum dividend	Tuesday, 20 June 2023
Commence trading ex-dividend	Wednesday, 21 June 2023
Record date	Friday, 23 June 2023
Dividend payment date	Monday, 26 June 2023

Share certificates may not be dematerialised or rematerialised between Wednesday, 21 June 2023 and Friday, 23 June 2023 (both dates inclusive).

By order of the Board



**N Morgan**  
Company Secretary  
5 June 2023

# Condensed consolidated statement of comprehensive income

	Notes	Unaudited six months ended 31 Mar 2023	Unaudited restated <sup>1</sup> six months ended 31 Mar 2022	Audited year ended 30 Sep 2022
		R'000	R'000	R'000
Revenue	3	4 497 499	3 043 722	8 148 466
Cost of sales		(3 279 714)	(2 215 529)	(5 641 145)
<b>Gross profit</b>		<b>1 217 785</b>	828 193	2 507 321
Sales and distribution expenditure		(202 223)	(155 511)	(478 674)
Marketing expenditure		(28 263)	(11 882)	(46 222)
Overhead expenditure		(415 916)	(343 214)	(815 904)
Other income		72 118	71 687	88 677
Net foreign exchange gain/(loss)		33 694	(7 726)	(23 448)
Net impairment reversal on financial assets		-	705	617
Joint ventures and associate (loss)/profit		(17 201)	(29 389)	17 865
Other operating items	5	(12 420)	(7 560)	(6 444)
<b>Operating profit</b>		<b>647 574</b>	345 303	1 243 788
Interest income		12 394	11 955	22 340
Interest expense		(108 429)	(86 182)	(202 179)
<b>Profit before taxation</b>		<b>551 539</b>	271 076	1 063 949
Taxation expense		(140 442)	(88 485)	(272 712)
<b>Profit after taxation from continuing operations</b>		<b>411 097</b>	182 591	791 237
Loss after taxation from discontinued operations	10	(26 452)	(16 159)	(22 498)
<b>Profit for the period</b>		<b>384 645</b>	166 432	768 739
<b>Other comprehensive income from continuing operations</b> <i>Items that may be reclassified subsequently to profit or loss:</i>				
Movement on foreign currency translation reserve		(132 762)	(157 778)	960 340
Movement on foreign currency translation reserve on joint ventures and associate		(4 245)	8 534	64 061
Movement on cash flow hedging reserve		(22 156)	80 158	125 931
Income tax related to loss/gain recognised in other comprehensive income		4 764	(15 818)	(24 359)
<b>Other comprehensive (loss)/income, net of taxation</b>		<b>(154 399)</b>	(84 904)	1 125 973
<b>Other comprehensive income from discontinued operations</b>				
Movement on foreign currency translation reserve		1	30	394
<b>Other comprehensive income, net of taxation</b>		<b>1</b>	30	394
<b>Total comprehensive income for the period</b>		<b>230 247</b>	81 558	1 895 106
<b>Profit for the period attributable to:</b>				
Shareholders of Oceana Group Limited		359 292	145 490	732 318
Non-controlling interests		25 353	20 942	36 421
		<b>384 645</b>	166 432	768 739
<b>Total comprehensive income for the period attributable to:</b>				
Shareholders of Oceana Group Limited		204 894	60 616	1 858 685
Non-controlling interests		25 353	20 942	36 421
		<b>230 247</b>	81 558	1 895 106

# Condensed consolidated statement of comprehensive income continued

	Notes	Unaudited six months ended 31 Mar 2023	Unaudited restated <sup>1</sup> six months ended 31 Mar 2022	Audited year ended 30 Sep 2022
		<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Total comprehensive income attributable to shareholders of Oceana Group Limited arises from:</b>				
Continuing operations		<b>229 642</b>	76 744	1 882 438
Discontinued operations		<b>(24 748)</b>	(16 128)	(23 753)
<b>Total comprehensive income</b>		<b>204 894</b>	60 616	1 858 685
<b>Earnings per share (cents)</b>				
<b>Basic earnings per share</b>				
		<b>295.4</b>	119.9	603.0
Continuing operations		<b>318.6</b>	133.9	622.9
Discontinued operations		<b>(23.2)</b>	(14.0)	(19.9)
<b>Diluted earnings per share</b>				
		<b>295.0</b>	119.7	602.6
Continuing operations		<b>318.1</b>	133.8	622.5
Discontinued operations		<b>(23.1)</b>	(14.1)	(19.9)

<sup>1</sup> Refer to note 13 for details of the prior period error and restatements.

\* 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.



# Condensed consolidated statement of financial position

	Notes	Unaudited as at 31 Mar 2023	Unaudited restated <sup>1</sup> as at 31 Mar 2022	Audited as at 30 Sep 2022
		R'000	R'000	R'000
<b>ASSETS</b>				
<b>Non-current assets</b>		<b>8 309 122</b>	7 116 337	8 396 164
Property, plant and equipment		<b>1 935 884</b>	1 861 747	1 865 386
Right-of-use assets		<b>70 438</b>	184 932	84 008
Goodwill and intangible assets		<b>5 728 715</b>	4 744 778	5 846 044
Interest in joint ventures and associate		<b>249 699</b>	214 080	305 638
Deferred taxation		<b>29 490</b>	15 583	13 649
Investments and loans		<b>214 815</b>	95 217	177 870
Derivative asset		<b>80 081</b>	–	103 569
<b>Current assets</b>		<b>4 377 203</b>	3 657 086	4 420 400
Inventories		<b>2 423 014</b>	1 248 793	2 270 759
Trade and other receivables		<b>1 175 338</b>	1 231 703	1 593 932
Derivative asset		–	43 842	–
Taxation receivable		<b>51 214</b>	106 549	69 247
Cash and cash equivalents		<b>727 637</b>	1 026 199	486 462
<b>Assets held for sale</b>	10	<b>505 898</b>	–	378 967
<b>Total assets</b>		<b>13 192 223</b>	10 773 423	13 195 531
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>		<b>6 831 265</b>	5 272 769	7 033 268
Share capital		<b>1 196 845</b>	1 222 388	1 224 849
Foreign currency translation reserve		<b>1 603 080</b>	566 077	1 740 086
Cash flow hedging reserve		<b>52 401</b>	32 562	69 794
Share-based payment reserve		<b>87 447</b>	78 733	88 120
Distributable reserve		<b>3 690 851</b>	3 180 821	3 690 452
Interest of own shareholders		<b>6 630 624</b>	5 080 581	6 813 301
Non-controlling interests		<b>200 641</b>	192 188	219 967
<b>Non-current liabilities</b>		<b>3 257 377</b>	3 262 355	3 461 310
Deferred taxation		<b>621 019</b>	532 311	642 154
Borrowings	9	<b>2 503 766</b>	2 481 109	2 686 000
Lease liabilities		<b>98 550</b>	208 786	97 754
Employee provisions		<b>34 042</b>	26 929	27 838
Liability for share-based payments		–	13 220	7 564
<b>Current liabilities</b>		<b>2 832 626</b>	2 238 299	2 518 666
Borrowings	9	<b>295 374</b>	268 651	298 357
Short-term banking facility		<b>927 000</b>	449 050	76 000
Lease liabilities		<b>14 030</b>	42 202	28 801
Employee provisions		<b>15 870</b>	7 463	8 467
Trade and other payables		<b>1 555 526</b>	1 169 180	2 099 046
Taxation payable		<b>24 826</b>	–	7 995
Shareholders for dividends		–	301 753	–
<b>Liabilities held for sale</b>	10	<b>270 955</b>	–	182 287
<b>Total equity and liabilities</b>		<b>13 192 223</b>	10 773 423	13 195 531

<sup>1</sup> Refer to note 13 for details of the prior period error and restatements.

# Condensed consolidated statement of changes in equity

	Interest of own shareholders	Non-controlling interests	Total
	R'000	R'000	R'000
<b>Audited balance as at 30 September 2021</b>	<b>5 303 607</b>	<b>199 508</b>	<b>5 503 115</b>
Total comprehensive income for the period	60 616	20 942	81 558
Movement on foreign currency translation reserve	(157 748)	-	(157 748)
Movement on foreign currency translation reserve from joint ventures	13	-	13
Movement on foreign currency translation reserve recycled to profit and loss	8 521	-	8 521
Movement on cash flow hedging reserve	80 158	-	80 158
Income tax relating to cash flow hedge movement	(15 818)	-	(15 818)
Profit for the period	145 490	20 942	166 432
Share-based payment expense	17 554	-	17 554
Dividends	(301 196)	(28 262)	(329 458)
<b>Unaudited balance as at 31 March 2022</b>	<b>5 080 581</b>	<b>192 188</b>	<b>5 272 769</b>
Total comprehensive income for the period	1 798 069	15 479	1 813 548
Movement on foreign currency translation reserve	1 109 961	-	1 109 961
Movement on foreign currency translation reserve on joint ventures and associate	64 048	-	64 048
Movement on cash flow hedging reserve	45 773	-	45 773
Income tax related to gain recognised in equity	(8 541)	-	(8 541)
Profit for the period	586 828	15 479	602 307
Transfers between reserves	(21 300)	21 300	-
Transfer from share-based payment liability to reserve	6 749	-	6 749
Decrease in treasury shares held by share trusts	2 339	-	2 339
Decrease in treasury shares held by subsidiary	122	-	122
Share-based payment expense	26 839	-	26 839
Share-based payment exercised	(13 950)	-	(13 950)
Gain on disposal of treasury shares – OET wind-up	849	-	849
Gain on disposal of shares distributed to deceased employee beneficiaries of OET	1 226	-	1 226
Distribution to Oceana Saam-Sonke Trust beneficiaries	(3 809)	-	(3 809)
Dividends	(64 414)	(9 000)	(73 414)
<b>Audited balance as at 30 September 2022</b>	<b>6 813 301</b>	<b>219 967</b>	<b>7 033 268</b>
Total comprehensive income for the period	204 894	25 353	230 247
Movement on foreign currency translation reserve	(132 761)	-	(132 761)
Movement on foreign currency translation reserve on joint ventures and associate	(4 245)	-	(4 245)
Movement on cash flow hedging reserve	(22 156)	-	(22 156)
Income tax related to gain recognised in equity	4 764	-	4 764
Profit for the period	359 292	25 353	384 645
Decrease in treasury shares held by share trusts	3 731	-	3 731
Increase in treasury shares held by subsidiary	(31 735)	-	(31 735)
Transfer from share-based payment liability to reserve	7 564	-	7 564
Share-based payment expense	27 741	-	27 741
Share-based payment exercised	(35 979)	-	(35 979)
Distribution to Oceana Saam-Sonke Trust beneficiaries	(5 079)	-	(5 079)
Dividends	(353 814)	(44 679)	(398 493)
<b>Unaudited balance as at 31 March 2023</b>	<b>6 630 624</b>	<b>200 641</b>	<b>6 831 265</b>

# Condensed consolidated statement of cash flows

	Unaudited six months ended 31 Mar 2023	Unaudited restated <sup>1</sup> six months ended 31 Mar 2022	Audited year ended 30 Sep 2022
	R'000	R'000	R'000
<b>Cash generated from operations</b>	<b>562 594</b>	350 436	990 439
Interest income received	<b>12 400</b>	12 048	13 976
Interest paid	<b>(114 313)</b>	(91 921)	(193 811)
Taxation paid	<b>(148 145)</b>	(158 497)	(288 216)
Dividends paid	<b>(403 571)</b>	(28 129)	(406 681)
<b>Cash (outflow)/inflow from operating activities</b>	<b>(91 035)</b>	83 937	115 707
<b>Cash outflow from investing activities</b>	<b>(212 528)</b>	(115 261)	(252 529)
Purchases of property, plant and equipment	<b>(205 093)</b>	(115 658)	(252 484)
Purchases of intangible assets	<b>(4 821)</b>	(2 758)	(6 365)
Proceeds on disposal of property, plant and equipment	<b>9 134</b>	1 081	4 448
Increase in loans receivable from business partners	<b>(11 748)</b>	(77)	(1 097)
Receipt of loans and advances provided	-	1 825	2 969
Decrease in investment	-	326	-
<b>Cash inflow/(outflow) from financing activities</b>	<b>603 979</b>	239 777	(288 010)
Borrowings raised	-	2 050	-
Borrowings repaid	<b>(146 673)</b>	(91 880)	(220 218)
Short-term banking facility raised	<b>3 154 000</b>	2 633 000	3 861 000
Short-term banking facility repaid	<b>(2 303 000)</b>	(2 277 000)	(3 876 000)
Repayment of principal portion of lease liability	<b>(33 338)</b>	(22 334)	(42 451)
Proceeds from sale of treasury shares	-	-	2 863
Cost relating to loan and derivative finance	-	(4 059)	-
Purchase of treasury shares for the settlement of long-term incentives	<b>(67 010)</b>	-	(13 204)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>300 416</b>	208 453	(424 832)
Cash and cash equivalents at the beginning of the period	<b>486 861</b>	827 796	827 796
Effect of exchange rate changes	<b>(19 058)</b>	(10 050)	83 897
<b>Cash and cash equivalents at the end of the period<sup>2</sup></b>	<b>768 219</b>	1 026 199	486 861

<sup>1</sup> Refer to note 13 for details of the prior period error and restatements.

<sup>2</sup> This amount includes R40.6 million of the CCS Logistics segment. Refer to note 10.

# Notes to the condensed consolidated interim financial statements

## 1. BASIS OF PREPARATION

The condensed consolidated interim financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for interim reports, and the requirements of the Companies Act of South Africa applicable to interim financial statements. The JSE Limited Listings Requirements require interim reports to be prepared in accordance with and containing the information required by IAS 34 Interim Financial Reporting, as well as the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements, as issued by Financial Reporting Standards Council.

The accounting policies applied in the preparation of the condensed consolidated interim financial statements are in terms of International Financial Reporting Standards and are consistent with those applied in the preparation of the Group Annual Financial Statements for the year ended 30 September 2022 and with the prior period, except for the restatement and prior period error, as detailed in note 13. The condensed consolidated interim financial statements have been prepared on the going concern and historical cost bases, except where otherwise indicated. The presentation currency is the South African Rand, rounded to the nearest thousand, except where otherwise indicated. The condensed consolidated interim financial statements have been prepared under the supervision of the Group Chief Financial Officer, Zaf Mahomed CA(SA), and are the full responsibility of the directors. Refer to the Commentary for details on the Group's performance.

## 2. SIGNIFICANT JUDGEMENTS AND ESTIMATES

No new accounting standards were adopted by the Group during the current period.

Significant judgement has been applied in determining the appropriate accounting treatment of the Group's 25% investment in Westbank. As explained in our Audited Annual Financial Statements for September 2022, the Group has reverted to accounting for Westbank as an associate as opposed to a joint operation. Refer to note 13 for further details relating to the restatement of Westbank as an associate.

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Management do not believe that there has been any significant change in the areas of judgement applied at September 2022, including taking into account the performance of the first six months, that would result in an impairment to goodwill and intangible assets with an indefinite useful life.

Management has identified assets no longer in use and has recognised an impairment charge of R11.8 million accordingly in the period.

## 3. REVENUE

	Unaudited six months ended 31 Mar 2023	Unaudited restated six months ended 31 Mar 2022	Audited year ended 30 Sep 2022
	R'000	R'000	R'000
The main categories of revenue and the segment to which they relate are set out below:			
<b>Sale of goods</b>			
Canned fish and fishmeal (Africa)	2 544 500	1 838 675	4 609 134
Fishmeal and fish oil (USA)	1 023 896	402 852	1 945 817
Wild caught seafood <sup>1</sup>	864 759	770 434	1 540 815
<b>Other non-trade revenue</b>			
Canned fish and fishmeal (Africa)	1 496	1 530	1 463
Wild caught seafood <sup>1</sup>	62 848	30 231	51 237
	<b>4 497 499</b>	<b>3 043 722</b>	<b>8 148 466</b>

<sup>1</sup> Wild caught seafood was previously called Horse mackerel, hake, lobster, and squid.

Revenue from the sale of goods is recognised at a point in time except for the freight and insurance component which is recognised over time. The freight and insurance component included in Canned fish and fishmeal (Africa) of R6.1 million (March 22: R2.3 million), Wild caught seafood of R16.0 million (March 2022: R9.3 million) is recognised over time.

Other non-trade revenue includes quota fees R29.6 million (March 2022: R13.2 million); fee income R32.9 million (March 2022: R16.6 million) and factory processing and other minor recoveries R1.9 million (March 2022: R2.0 million).

# Notes to the condensed consolidated interim financial statements continued

## 4. SEGMENTAL RESULTS

Revenue per geographic region excludes inter-segmental revenues in South Africa and Namibia which are eliminated on consolidation as follows: Wild caught seafood R16.9 million (March 2022: R23.4 million).

Inter-segmental revenue is eliminated on consolidation between revenue and the corresponding expense line to which it relates. The Horse mackerel, hake, lobster and squid segment has been re-named as Wild caught seafood.

The Group has a customer in the Canned fish and Fishmeal (Africa) segment that individually contributed 12.0% (March 2022: 13.2%) of the Group's revenue. No other single customer contributed 10% or more to the Group's revenue in either 2023 or 2022.

Six months ended 31 March 2023 Unaudited Segment	Canned fish and fishmeal (Africa) R'000	Fishmeal and fish oil (USA) R'000	Wild caught seafood R'000	Total R'000	Intercompany eliminations between continuing and discontinued operations R'000	Total continuing operations R'000
<b>Statement of comprehensive income</b>						
Gross revenue	2 838 644	1 023 896	943 509	4 806 049	-	4 806 049
Inter-segmental revenue	(292 648)	-	(15 902)	(308 550)	-	(308 550)
Net revenue	2 545 996	1 023 896	927 607	4 497 499	-	4 497 499
Operating profit	134 143	370 208	108 034	612 385	35 189	647 574
Profit after taxation	26 145	272 031	77 732	375 908	35 189	411 097
<b>Statement of financial position</b>						
Total assets excluding assets held for sale	3 444 837	8 425 780	815 708	12 686 325	-	12 686 325
Total liabilities excluding liabilities held for sale	3 278 696	2 337 002	474 305	6 090 003	-	6 090 003

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

Six months ended 31 March 2023 Unaudited Region	South Africa and Namibia R'000	Other Africa R'000	North America R'000	Europe R'000	Far East R'000	Other R'000	Total R'000
Revenue	2 736 349	365 710	976 615	336 236	71 127	11 462	4 497 499

# Notes to the condensed consolidated interim financial statements continued

## 4. SEGMENTAL RESULTS continued

Six months ended 31 March 2022 Unaudited Segment	Canned fish and fishmeal (Africa)	Restated Fishmeal and fish oil (USA)	Wild caught seafood	Total	Intercompany eliminations between continuing and discontinued operations	Total restated continuing operations
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Statement of comprehensive income</b>						
Gross revenue	1 922 885	402 852	810 952	3 136 689	–	3 136 689
Inter-segmental revenue	(82 680)	–	(10 287)	(92 967)	–	(92 967)
<b>Net revenue</b>	<b>1 840 205</b>	<b>402 852</b>	<b>800 665</b>	<b>3 043 722</b>	<b>–</b>	<b>3 043 722</b>
Operating profit	165 479	46 418	104 524	316 421	28 882	345 303
Profit after taxation	87 119	(8 566)	75 156	153 709	28 882	182 591
<b>Statement of financial position</b>						
Total assets <sup>1</sup>	2 660 542	6 791 146	925 036	10 376 724	–	10 376 724
Total liabilities <sup>1</sup>	2 813 980	2 030 671	460 435	5 305 086	–	5 305 086

<sup>1</sup> Total assets of R10 773 million have been adjusted for the assets of CCS Logistics of R396 million. Total liabilities of R5 501 million have been adjusted for the liabilities of CCS Logistics of R196 million.

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

Six months ended 31 March 2022 Unaudited Region	South Africa and Namibia	Other Africa	North America	Europe	Far East	Other	Total
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Revenue	2 026 706	322 901	390 253	254 607	29 827	19 428	3 043 722

# Notes to the condensed consolidated interim financial statements continued

## 4. SEGMENTAL RESULTS continued

Year ended 30 September 2022 Audited Segment	Canned fish and fishmeal (Africa)	Fishmeal and fish oil (USA)	Wild caught seafood	Total	Intercompany eliminations between continuing and discontinued operations	Total continuing operations
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Statement of comprehensive income</b>						
Gross revenue	4 765 532	1 945 817	1 612 628	8 323 977	-	8 323 977
Inter-segmental revenue	(154 935)	-	(20 576)	(175 511)	-	(175 511)
<b>Net revenue</b>	<b>4 610 597</b>	<b>1 945 817</b>	<b>1 592 052</b>	<b>8 148 466</b>	<b>-</b>	<b>8 148 466</b>
Operating profit	475 394	583 821	150 188	1 209 403	34 385	1 243 788
Profit after taxation	271 986	386 134	98 732	756 852	34 385	791 237
<b>Statement of financial position</b>						
Total assets excluding assets held for sale	3 012 451	9 044 524	759 589	12 816 564	-	12 816 564
Total liabilities excluding liabilities held for sale	2 857 332	2 743 923	378 721	5 979 976	-	5 979 976

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

Year ended 30 September 2022 Audited Region	South Africa and Namibia	Other Africa	North America	Europe	Far East	Other	Total
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Revenue	4 517 718	583 353	1 272 402	1 600 012	123 085	51 896	8 148 466

# Notes to the condensed consolidated interim financial statements continued

## 5. OTHER OPERATING ITEMS

Transactions outside the ordinary course of business that are substantially capital or non-recurring in nature are disclosed under other operating items in the statement of comprehensive income.

	Unaudited six months ended 31 Mar 2023	Unaudited restated six months ended 31 Mar 2022	Audited year ended 30 Sep 2022
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Other operating items from continuing operations</b>			
Profit on disposal of property, plant and equipment	<b>6 355</b>	960	1 376
Impairment of property, plant and equipment and intangible assets	<b>(11 812)</b>	-	-
Transaction costs relating to disposal of CCS Logistics	<b>(6 963)</b>	-	(7 275)
Insurance proceeds on capital items	-	-	7 975
Transfer of foreign currency reserve <sup>1</sup>	-	(8 520)	(8 520)
<b>Total</b>	<b>(12 420)</b>	(7 560)	(6 444)
<b>Other operating items from discontinued operations</b>			
Loss on disposal of property, plant and equipment	<b>(360)</b>	(80)	(799)
Foreign exchange translation reserve	-	-	(308)
<b>Total</b>	<b>(360)</b>	(80)	(1 107)

<sup>1</sup> During the prior year transfer of foreign currency translation loss to profit and loss on disposal of investment of joint venture "Oceana Boa Pesca Limitada" ("OBP").



# Notes to the condensed consolidated interim financial statements continued

## 6. DETERMINATION OF HEADLINE EARNINGS

	Unaudited six months ended 31 Mar 2023	Unaudited restated six months ended 31 Mar 2022	Audited year ended 30 Sep 2022
	R'000	R'000	R'000
Profit for the period attributable to shareholders of Oceana Group Limited	359 292	145 490	732 318
Loss from discontinued operations attributable to shareholders of Oceana Group Limited <sup>1</sup>	17 861	17 099	24 147
<b>Earnings from continuing operations</b>	<b>377 153</b>	162 589	756 465
Adjusted for:			
Impairment of property, plant and equipment and intangible assets	11 812	-	-
Joint ventures and associate loss on disposal of vessels	-	-	308
Insurance proceeds on capital items	-	-	(7 975)
Net profit on disposal of property, plant and equipment	(6 355)	(960)	(573)
Loss on deemed disposal of joint venture ("OBP")	-	8 520	8 520
Total non-controlling interest in above	(27)	-	1 160
Total tax effect of adjustments	(1 271)	269	2 394
<b>Headline earnings for the period attributable to the shareholders of Oceana Group Limited from continuing operations</b>	<b>381 312</b>	170 418	760 299
<b>Earnings from discontinued operations</b>			
Loss from discontinued operations after tax	(17 861)	(17 099)	(24 147)
Net loss on disposal of property, plant and equipment from discontinued operations	360	58	-
Total tax effect of adjustments	(97)		
<b>Headline earnings for the period attributable to the shareholders of Oceana Group Limited from discontinued operations</b>	<b>(17 598)</b>	(17 041)	(24 147)
<b>Headline earnings for the period</b>	<b>363 714</b>	153 377	736 152
<b>Headline earnings per share (cents)</b>			
Basic headline earnings per share	299.1	126.4	606.2
Continuing operations	313.5	140.4	626.0
Discontinued operations	(14.4)	(14.0)	(19.8)
Diluted headline earnings per share	298.6	126.2	605.8
Continuing operations	313.0	140.2	625.6
Discontinued operations	(14.4)	(14.0)	(19.8)

<sup>1</sup> This amount includes a non-controlling interest profit adjustment in CCS Logistics of R1.7 million (March 2022: R0.9 million).

## 7. WEIGHTED AVERAGE NUMBER OF SHARES

	Unaudited Number of shares 31 Mar 2023	Unaudited Number of shares 31 Mar 2022	Audited Number of shares 30 Sep 2022
	'000	'000	'000
Weighted average number of ordinary shares	130 432	130 432	130 432
Less: weighted average number of Treasury shares held by:			
Oceana Empowerment Trust (OET)	(109)	(259)	(228)
Lucky Star Limited	(204)	(288)	(264)
Oceana Group Share Trust	(17)	(17)	(17)
Oceana Saam-Sonke Trust	(7 826)	(7 826)	(7 826)
Oceana Stakeholder Empowerment Trust (OSET)	(652)	(652)	(652)
Weighted average number of ordinary shares used in the calculation of basic earnings and headline earnings per share	121 624	121 390	121 445
Shares deemed to be issued for no consideration in respect of unexercised share options	184	163	79
Weighted average number of ordinary shares used in the calculation of diluted earnings and diluted headline earnings per share	121 808	121 553	121 524

# Notes to the condensed consolidated interim financial statements continued

## 8. DIVIDENDS

	Unaudited six months ended 31 Mar 2023	Unaudited six months ended 31 Mar 2022	Audited year ended 30 Sep 2022
Dividend declared after reporting date (R'000)	<b>158 131</b>	66 802	353 856
Dividend per share (cents)	<b>130.0</b>	55.0	291.0
Number of shares net of treasury shares (in '000s)	<b>121 639</b>	121 459	121 600

## 9. BORROWINGS

	Unaudited as at 31 Mar 2023	Unaudited restated as at 31 Mar 2022	Audited as at 30 Sep 2022
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
South African Rand-denominated loans	<b>1 097 481</b>	1 244 937	1 172 847
USA dollar-denominated term loan	<b>1 701 659</b>	1 504 823	1 811 510
<b>Total borrowings</b>	<b>2 799 140</b>	2 749 760	2 984 357
<b>Categorised between non-current and current portions</b>			
Non-current portion of liabilities	<b>2 503 766</b>	2 481 109	2 686 000
Current portion of liabilities	<b>295 374</b>	268 651	298 357
<b>Total borrowings</b>	<b>2 799 140</b>	2 749 760	2 984 357

### Short-term banking facility

The general short term banking facilities in South Africa amounted to R1.1 billion as at 31 March 2023 and 31 March 2022. As at 31 March 2023, R927 million was utilised (March 2022: R449.1 million). In addition, the Nedbank Revolving Credit Facility of R500 million was undrawn in both 6-month reporting periods ended 31 March 2023 and 31 March 2022.

In the USA, the short-term facility of USD25 million was not utilised at 31 March 2023 nor at 31 March 2022.

### Covenants

The covenant targets for the South African Rand-denominated term loans are Net debt: EBITDA, interest cover and debt service cover. The SA loan covenants have been achieved and management is comfortable with the level of available headroom.

The covenant targets for the USA dollar-denominated term loan are Net debt: EBITDA, fixed charges and funded debt to capital ratio. The USA loan covenants have been achieved and management is comfortable with the level of available headroom.

# Notes to the condensed consolidated interim financial statements continued

## 10. ASSETS HELD FOR SALE

### 10.1 DESCRIPTION

On the 3rd of October 2022 Oceana entered into an agreement to dispose of its CCS Logistics business, for a total consideration of R760 million net of the value accruing to minority interests in the CCS Namibia Proprietary Limited and CCS Ports Proprietary Limited (Duncan Dock) operations. The implied 100% enterprise value including minorities is R895 million.

The transaction includes supplementary agreements for Oceana Group entities to secure medium term cold-storage services from CCS Logistics at market related rates and for Oceana to continue providing transitional services at an agreed service fee to CCS Logistics for a period of at least 12 months following implementation.

The transaction was announced on the 4th of October 2022. The Group assessed the requirements of IFRS 5 (*Non-current Assets held for Sale and Discontinued Operations*) and deemed the asset to meet the criteria for being held for sale prior to the September 2022 year end. The Group has consequently disclosed CCS Logistics as a discontinued operation in its Annual Financial Statements for the year ended 30 September 2022. CCS Logistics has subsequently been sold after the period ended 31 March 2023. Refer to note 15.

### 10.2 ASSETS CLASSIFIED AS HELD FOR SALE

	Unaudited as at 31 Mar 2023	Unaudited restated as at 31 Mar 2022	Audited year ended 30 Sep 2022
	R'000	R'000	R'000
Reclassified from plant and equipment and vehicles	60	-	8 712
Discontinued operation (refer note 10.4)	505 838	-	370 255
<b>Carrying amount of assets held for sale</b>	<b>505 898</b>	<b>-</b>	<b>378 967</b>

### 10.3 STATEMENT OF COMPREHENSIVE INCOME OF THE DISCONTINUED OPERATION

Unaudited six months ended 31 March 2023	Commercial cold storage and logistics	Intercompany eliminations <sup>1</sup>	Discontinued operation (consolidated)
	R'000	R'000	R'000
Revenue	224 087	(52 348)	171 739
<b>Gross profit</b>	<b>224 087</b>	<b>(52 348)</b>	<b>171 739</b>
Overhead expenditure	(173 206)	17 159	(156 047)
Net foreign exchange loss	(2)	-	(2)
<b>Operating profit before other operating items</b>	<b>50 879</b>	<b>(35 189)</b>	<b>15 690</b>
Other operating items	(360)	-	(360)
<b>Operating profit</b>	<b>50 519</b>	<b>(35 189)</b>	<b>15 330</b>
Net Interest income/(expense)	4 136	(12 706)	(8 570)
<b>Profit/(loss) before taxation</b>	<b>54 655</b>	<b>(47 895)</b>	<b>6 760</b>
Taxation expense	(33 212)	-	(33 212)
<b>Profit/(loss) after taxation from discontinued operations</b>	<b>21 443</b>	<b>(47 895)</b>	<b>(26 452)</b>

<sup>1</sup> Intercompany transactions include revenue earned by CCS Logistics in respect of storage and logistics for other companies within the Group as well as support service expenses incurred and paid to Oceana Group Limited. These transactions occur in the ordinary course of business and will continue after the completion of the sale of CCS Logistics.

# Notes to the condensed consolidated interim financial statements continued

## 10. ASSETS HELD FOR SALE continued

### 10.3 STATEMENT OF COMPREHENSIVE INCOME OF THE DISCONTINUED OPERATION continued

Unaudited six months ended 31 March 2022	Commercial cold storage and logistics	Intercompany eliminations <sup>1</sup>	Discontinued operation (consolidated)
	R'000	R'000	R'000
Revenue	182 488	(46 950)	135 538
<b>Gross profit</b>	<b>182 488</b>	<b>(46 950)</b>	<b>135 538</b>
Overhead expenditure	(154 756)	18 068	(136 688)
Net foreign exchange gain	6	-	6
<b>Operating profit before other operating items</b>	<b>27 738</b>	<b>(28 882)</b>	<b>(1 144)</b>
Other operating items	(80)	-	(80)
<b>Operating profit</b>	<b>27 658</b>	<b>(28 882)</b>	<b>(1 224)</b>
Net Interest income/(expense)	1 315	(6 461)	(5 146)
<b>Profit before taxation</b>	<b>28 973</b>	<b>(35 343)</b>	<b>(6 370)</b>
Taxation expense	(9 789)	-	(9 789)
<b>Profit/(loss) after taxation from discontinued operations</b>	<b>19 184</b>	<b>(35 343)</b>	<b>(16 159)</b>

<sup>1</sup> Intercompany transactions include revenue earned by CCS Logistics in respect of storage and logistics for other companies within the Group as well as support service expenses incurred and paid to Oceana Group Limited. These transactions occur in the ordinary course of business and will continue after the completion of the sale of CCS Logistics.

Audited year ended 30 September 2022	Commercial cold storage and logistics	Intercompany eliminations <sup>1</sup>	Discontinued operation (consolidated)
	R'000	R'000	R'000
Revenue	367 350	(77 698)	289 652
<b>Gross profit</b>	<b>367 350</b>	<b>(77 698)</b>	<b>289 652</b>
Overhead expenditure	(327 396)	43 312	(284 084)
Net foreign exchange gain	2	-	2
<b>Operating profit before other operating items</b>	<b>39 956</b>	<b>(34 386)</b>	<b>5 570</b>
Other operating items	(1 107)	-	(1 107)
<b>Operating profit</b>	<b>38 849</b>	<b>(34 386)</b>	<b>4 463</b>
Net Interest income/(expense)	4 086	(15 067)	(10 981)
<b>Profit/(loss) before taxation</b>	<b>42 935</b>	<b>(49 453)</b>	<b>(6 518)</b>
Taxation expense	(15 980)	-	(15 980)
<b>Profit/(loss) after taxation from discontinued operations</b>	<b>26 955</b>	<b>(49 453)</b>	<b>(22 498)</b>

<sup>1</sup> Intercompany transactions include revenue earned by CCS Logistics in respect of storage and logistics for other companies within the Group as well as support service expenses incurred and paid to Oceana Group Limited. These transactions occur in the ordinary course of business and will continue after the completion of the sale of CCS Logistics.

# Notes to the condensed consolidated interim financial statements continued

## 10. ASSETS HELD FOR SALE continued

### 10.4 STATEMENT OF FINANCIAL POSITION OF THE DISCONTINUED OPERATION

	Unaudited as at 31 Mar 2023	Audited as at 30 Sep 2022
	<b>R'000</b>	<b>R'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	243 379	227 806
Right-of-use assets	148 998	93 020
Goodwill and intangible assets	86	140
<b>Total non-current assets</b>	<b>392 463</b>	<b>320 966</b>
<b>Current assets</b>		
Inventories	16 261	8 025
Trade and other receivables	56 532	39 055
Taxation receivable	-	1 810
Cash and cash equivalents	40 582	399
<b>Total current assets</b>	<b>113 375</b>	<b>49 289</b>
<b>Total assets</b>	<b>505 838</b>	<b>370 255</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred taxation	13 024	9 288
Lease liabilities	152 901	86 908
Provisions	-	2 442
Liability for share-based payments	-	767
<b>Total non-current liabilities</b>	<b>165 925</b>	<b>99 405</b>
<b>Current liabilities</b>		
Lease liabilities	19 656	26 446
Trade and other payables	80 017	55 793
Taxation payable	5 357	643
<b>Total current liabilities</b>	<b>105 030</b>	<b>82 882</b>
<b>Total liabilities</b>	<b>270 955</b>	<b>182 287</b>

### 10.5 STATEMENT OF CASH FLOWS OF THE DISCONTINUED OPERATION<sup>1</sup>

	Unaudited six months ended 31 Mar 2023	Unaudited six months ended 31 Mar 2022	Audited year ended 30 Sep 2022
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Net cash (outflow)/inflow from operating activities	(181 323)	18 679	69 192
Net cash inflow/(outflow) from investing activities	238 909	(4 056)	(41 964)
Net cash outflow from financing activities	(17 403)	(13 847)	(28 448)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>40 183</b>	<b>776</b>	<b>(1 220)</b>
Cash and cash equivalents at the beginning of the period	399	848	848
Effect of exchange rate changes	-	-	772
<b>Cash and cash equivalents at end of the period</b>	<b>40 582</b>	<b>1 624</b>	<b>400</b>

<sup>1</sup> Cash flows from discontinued operations have been included in the consolidated statement of cash flows.

# Notes to the condensed consolidated interim financial statements continued

## 11. FURTHER INFORMATION RELATING TO CONTINUING OPERATIONS

	Unaudited six months ended 31 Mar 2023	Unaudited restated six months ended 31 Mar 2022	Audited year ended 30 Sep 2022
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>11.1 ITEMS IMPACTING THE STATEMENT OF COMPREHENSIVE INCOME</b>			
Insurance recoveries	<b>72 118</b>	65 107	87 277
Legal and other costs related to the completion of the 2021 financial year end audit	-	36 540	50 315
Amortisation	<b>7 621</b>	7 177	14 705
Depreciation of property, plant and equipment	<b>103 683</b>	90 279	192 033
Depreciation of right-of-use assets	<b>10 492</b>	11 092	20 872
Share-based payments expense	<b>26 529</b>	15 808	39 435
<b>11.2 ITEMS IMPACTING THE STATEMENT OF FINANCIAL POSITION</b>			
Additions (property, plant and equipment and intangible assets)	<b>180 798</b>	98 243	214 200
Replacement	<b>159 335</b>	97 597	203 174
Expansion	<b>21 463</b>	646	11 026
<b>11.3 OTHER ITEMS</b>			
Budgeted capital commitments	<b>446 359</b>	190 452	495 984
Contracted	<b>117 953</b>	54 112	27 161
Not contracted	<b>328 406</b>	136 340	468 823

The closing US Dollar exchange rate at 31 March 2023 was R17.79 (March 2022: R14.61).

# Notes to the condensed consolidated interim financial statements continued

## 12. FAIR VALUE

Items carried at fair value are classified according to the fair value hierarchy, by valuation method. The different levels have been defined as follows:

**Level 1** – quoted (unadjusted) prices in active markets for identical assets or liabilities.

**Level 2** – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Interest rate swaps recorded in the cash flow hedging reserve and derivative liabilities are regarded as level 2 financial instruments. Foreign exchange contracts entered into by the Group for the purpose of minimising exposure to foreign currency volatility are regarded as level 2 financial instruments.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves. The fair value of the foreign exchange contracts incorporates various inputs, including the nominal amount of foreign currency as well as foreign exchange spot and forward rates.

The Group has level 2 and 3 instruments and there have been no transfers between levels 1, 2 or 3 of the fair value hierarchy during the current period.

The fair value of all other financial assets and financial liabilities approximates their carrying value.

### Measurement of fair values

The following table shows the valuation techniques used in measuring level 2 and 3 fair values for financial instruments in the statement of financial position, as well as the significant unobservable inputs used.

Instrument	Level	Valuation basis/techniques	Significant unobservable inputs
Investment	3	The shareholding and value of the investment in Group Risk Holdings is based on the Company's proportionate share of premiums paid relative to total premiums paid by all other insured parties. There are no other significant inputs that are used in the valuation and any changes in these inputs would not result in a significant fair value change.	Not applicable
Derivative instruments – Interest rate swaps	2	Swap models: The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Group and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.	Not applicable
Derivative instruments – Foreign currency forwards	2	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.	Not applicable

# Notes to the condensed consolidated interim financial statements continued

## 13. PRIOR PERIOD ERROR AND RESTATEMENTS

### 13.1 ACCOUNTING TREATMENT OF WESTBANK – EQUITY ACCOUNTED ASSOCIATE

The accounting treatment of Westbank was revised in the second half of the prior financial year. Westbank was classified as an associate and its results were equity accounted.

In the six months ended 31 March 2022 Westbank was classified as a joint operation, and proportionately consolidated. Although the Group owns 25% of the shares of Westbank, it was decided to recognise 100% of the assets and liabilities on a line-by-line basis because Daybrook takes 100% of Westbank's output. This accounting approach resulted in the recognition of a liability to the 75% shareholder for its share of the net assets and net profit and loss to which the Group is not entitled. This liability was called 'liability to joint operator' and all charges (except for dividends paid by Westbank) were recognised in cost of sales in order to reflect the Group's cost of fish acquired from Westbank.

Please refer to note 2 on Significant judgement and estimates for background and the reason for the change in the current year.

### 13.2 RESTATEMENTS

The Group has restated comparative information to disclose Westbank as an equity accounted associate and disclosed CCS Logistics as a discontinued operation as required by IFRS 5 (refer note 10).

	Restated 2022			Unaudited restated six months ended 31 Mar 22 R'000
	Unaudited six months ended 31 Mar 22 R'000	Effect of equity accounted associate R'000	Effect of discontinued operation R'000	
	Revenue	3 179 260		
Cost of sales	(2 217 852)	2 323	–	(2 215 529)
<b>Gross profit</b>	<b>961 408</b>	<b>2 323</b>	<b>(135 538)</b>	<b>828 193</b>
Sales and distribution expenditure	(155 511)	–	–	(155 511)
Marketing expenditure	(11 882)	–	–	(11 882)
Overhead expenditure	(501 240)	21 338	136 688	(343 214)
Other income	71 687	–	–	71 687
Net foreign exchange loss	(7 720)	–	(6)	(7 726)
Net impairment reversal on financial assets	705	–	–	705
Joint ventures and associate loss	(4 421)	(24 968)	–	(29 389)
Other operating items	(7 640)	–	80	(7 560)
<b>Operating profit</b>	<b>345 386</b>	<b>(1 307)</b>	<b>1 224</b>	<b>345 303</b>
Interest income	19 828	(7 780)	(93)	11 955
Interest expense	(100 508)	9 087	5 239	(86 182)
<b>Profit before taxation</b>	<b>264 706</b>	<b>–</b>	<b>6 370</b>	<b>271 076</b>
Taxation expense	(98 274)	–	9 789	(88 485)
<b>Profit after taxation from continuing operations</b>	<b>166 432</b>	<b>–</b>	<b>16 159</b>	<b>182 591</b>
Loss from discontinued operations	–	–	(16 159)	(16 159)
<b>Profit for the period</b>	<b>166 432</b>	<b>–</b>	<b>–</b>	<b>166 432</b>



# Notes to the condensed consolidated interim financial statements continued

## 13. PRIOR PERIOD ERRORS AND RESTATEMENTS continued

### 13.2 RESTATEMENTS continued

	Restated 2022			Unaudited restated six months ended 31 Mar 22
	Unaudited six months ended 31 Mar 22	Effect of equity accounted associate	Effect of discontinued operation	
	R'000	R'000	R'000	R'000
<b>Other comprehensive income from continuing operations</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Movement on foreign currency translation reserve	(157 748)	–	(30)	(157 778)
Movement on foreign currency translation reserve from joint ventures	13	–	–	13
Movement on foreign currency translation reserve recycled to profit and loss	8 521	–	–	8 521
Movement on cash flow hedging reserve	80 158	–	–	80 158
Income tax related to gain recognised in other comprehensive income	(15 818)	–	–	(15 818)
<b>Other comprehensive loss, net of taxation</b>	<b>(84 874)</b>	<b>–</b>	<b>(30)</b>	<b>(84 904)</b>
<b>Total comprehensive income / (loss) for the period</b>	<b>81 558</b>	<b>–</b>	<b>(30)</b>	<b>81 528</b>
<b>Profit after taxation attributable to:</b>				
Shareholders of Oceana Group Limited	145 490	–	–	145 490
Non-controlling interests	20 942	–	–	20 942
	<b>166 432</b>	<b>–</b>	<b>–</b>	<b>166 432</b>
<b>Total comprehensive income for the period attributable to:</b>				
Shareholders of Oceana Group Limited	60 616	–	–	60 616
Non-controlling interests	20 942	–	–	20 942
	<b>81 558</b>	<b>–</b>	<b>–</b>	<b>81 558</b>

# Notes to the condensed consolidated interim financial statements continued

## 13. PRIOR PERIOD ERRORS AND RESTATEMENTS continued

### 13.2 RESTATEMENTS continued

Consolidated Statement of Financial Position (extract)	Restated 2022		
	Unaudited as at 31 Mar 22 <b>R'000</b>	Effect of equity accounted associate <b>R'000</b>	Unaudited restated as at 31 Mar 22 <b>R'000</b>
<b>ASSETS</b>			
<b>Non-current assets</b>	7 721 301	(604 964)	7 116 337
Property, plant and equipment	2 537 657	(675 910)	1 861 747
Right-of-use assets	184 932	-	184 932
Goodwill and intangible assets	4 757 978	(13 200)	4 744 778
Interest in joint ventures and associate	66 822	147 258	214 080
Deferred taxation	15 583	-	15 583
Investments and loans	95 217	-	95 217
Derivative asset	63 112	(63 112)	-
<b>Current assets</b>	3 615 381	41 705	3 657 086
Inventories	1 341 775	(92 982)	1 248 793
Trade and other receivables	1 084 550	147 153	1 231 703
Derivative asset	-	43 842	43 842
Taxation receivable	113 673	(7 124)	106 549
Cash and cash equivalents	1 075 383	(49 184)	1 026 199
<b>Total assets</b>	<b>11 336 682</b>	<b>(563 259)</b>	<b>10 773 423</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>	5 272 769	-	5 272 769
Share capital	1 222 388	-	1 222 388
Foreign currency translation reserve	566 077	-	566 077
Cash flow hedging reserve	32 562	-	32 562
Share-based payment reserve	78 733	-	78 733
Distributable reserve	3 180 821	-	3 180 821
Interest of own shareholders	5 080 581	-	5 080 581
Non-controlling interests	192 188	-	192 188
<b>Non-current liabilities</b>	3 687 833	(425 478)	3 262 355
Liability for share-based payments	13 220	-	13 220
Employee provisions	26 929	-	26 929
Borrowings	2 905 712	(424 603)	2 481 109
Lease liabilities	209 661	(875)	208 786
Deferred taxation	532 311	-	532 311
<b>Current liabilities</b>	2 376 080	(137 781)	2 238 299
Trade and other payables	1 178 836	(9 656)	1 169 180
Employee provisions	7 463	-	7 463
Borrowings	307 773	(39 122)	268 651
Lease liabilities	43 066	(864)	42 202
Short-term banking facility	449 050	-	449 050
Derivative liabilities	2 361	(2 361)	-
Shareholders for dividends	301 753	-	301 753
Taxation payable	7 124	(7 124)	-
Liability to joint operator	78 654	(78 654)	-
<b>Total equity and liabilities</b>	<b>11 336 682</b>	<b>(563 259)</b>	<b>10 773 423</b>

# Notes to the condensed consolidated interim financial statements continued

## 13. PRIOR PERIOD ERRORS AND RESTATEMENTS continued

### 13.2 RESTATEMENTS continued

Consolidated Statement of Cash Flows (extract)	Restated 2022		
	Unaudited six months ended 31 Mar 22	Effect of equity accounted associate	Unaudited restated six months ended 31 Mar 22
	R'000	R'000	R'000
<b>Cash generated from operations</b>	321 665	28 771	350 436
Investment income received	19 828	(7 780)	12 048
Interest paid	(101 008)	9 087	(91 921)
Taxation paid	(161 581)	3 084	(158 497)
Dividends paid	(27 724)	(405)	(28 129)
<b>Cash inflow from operating activities</b>	51 180	32 757	83 937
<b>Cash outflow from investing activities</b>	(129 746)	14 485	(115 261)
Purchases of property, plant and equipment	(131 625)	15 967	(115 658)
Purchases of intangible assets	(2 758)	-	(2 758)
Proceeds on disposal of property, plant and equipment	1 081	-	1 081
Increase in loans receivable from business partners	-	(77)	(77)
Receipt of loans and advances provided	3 310	(1 485)	1 825
Decrease in investment	246	80	326
<b>Cash inflow from financing activities</b>	230 103	9 674	239 777
Borrowings raised	2 050	-	2 050
Borrowings repaid	(91 880)	-	(91 880)
Short-term banking facility raised	2 633 000	-	2 633 000
Short-term banking facility repaid	(2 277 000)	-	(2 277 000)
Repayment of principal portion of lease liability	(22 334)	-	(22 334)
Loans advanced	(77)	77	-
Payment of joint operator liability	(7 780)	7 780	-
Transaction costs incurred	(1 817)	1 817	-
Cost relating to loan and derivative finance	(4 059)	-	(4 059)
<b>Net increase in cash and cash equivalents</b>	151 537	56 916	208 453
Cash and cash equivalents at the beginning of the period	933 612	(105 816)	827 796
Effect of exchange rate changes	(9 766)	(284)	(10 050)
<b>Cash and cash equivalents at the end of the period</b>	1 075 383	(49 184)	1 026 199

## 14. RELATED PARTIES

During the period, the Group entered into related party transactions in the ordinary course of business, the substance of which are disclosed in the Group's annual financial statements for the year ended 30 September 2022.

## 15. EVENTS AFTER THE REPORTING DATE

No events occurred after the reporting date that have an impact on the Group's reported financial position at 31 March 2023 or require separate disclosure in these financial statements other than the conclusion of the disposal of its CCS Logistics business, on the 4th of April 2023 and listing of the Group's ordinary shares on a secondary exchange in South Africa, A2X, with effect from 3 April 2023.

# Directorate and statutory information

<b>Directors and officers as at 31 March 2023</b>	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)
<b>Registered Office:</b>	9th Floor, Oceana House, 25 Jan Smuts Street, Foreshore, Cape Town, 8001
<b>Transfer Secretaries:</b>	JSE Investor Services South Africa (Pty) Ltd (“JIS”) JSE Limited, One Exchange Square, 2 Gwen Lane, Sandown, Sandton, 2196 PO Box 4844, Johannesburg, 2000
<b>Sponsor – South Africa:</b>	The Standard Bank of South Africa Limited
<b>Sponsor – Namibia:</b>	Old Mutual Investment Services (Namibia) Proprietary Limited
<b>Auditors:</b>	Mazars
<b>Company Secretary:</b>	Ms N Morgan
<b>JSE share code:</b>	OCE
<b>A2X share code:</b>	OCE
<b>NSX share code:</b>	OCG
<b>ISIN:</b>	ZAE000025284



