

Oceana Group Limited
Incorporated in the Republic of South Africa
(Registration number 1939/001730/06
JSE Share Code: OCE
NSX Share Code: OCG
ISIN Number: ZAE000025284
("Oceana" or the "Company" or the "Group")

ANNOUNCEMENT RELATING TO THE DISPOSAL OF COMMERCIAL COLD STORAGE GROUP LIMITED

1. INTRODUCTION AND TRANSACTION OVERVIEW

Oceana is pleased to announce that on 03 October 2022 it entered into transaction agreements (the "**Agreements**") to dispose of its cold storage business, Commercial Cold Storage Group Limited, trading as CCS Logistics ("**CCS Logistics**"), for a total consideration of R760 million ("**Consideration**") net of the value accruing to minority interests in the Namibian (CCS Namibia (Pty) Ltd 31%) and Duncan Dock (CCS Ports (Pty) Ltd 30%) operations (the "**Transaction**"). The implied 100% enterprise value including minorities is R895 million.

The purchaser is a special purpose vehicle owned by a consortium comprised of (i) Old Mutual Life Assurance Company (South Africa) Limited (acting on behalf of the Infrastructural, Developmental and Environmental Assets ("**IDEAS**") Managed Fund) ("**IDEAS Fund**") and the African Infrastructure Investment Fund 4 Partnership ("**AIF4 Fund**"). Both the IDEAS Fund and AIF4 Fund are managed by African Infrastructure Investment Managers (Pty) Ltd ("**AIIM**"), (ii) Bauta Logistics Ltd ("**Bauta Logistics**"), and (iii) Mokobela Shakati (Pty) Ltd ("**Mokobela Shakati**") (the special purpose vehicle, hereinafter referred to as the "**Purchaser**").

The main beneficial owners of the consortium members are as follows:

- IDEAS Fund: advised by AIIM under an advisory agreement with the IDEAS Managed Fund;
- AIF4 Fund: managed and advised by AIIM through a management agreement with African Infrastructure Investment Fund 4 Partnership, acting through AIF4 General Partner (Pty) Ltd in its capacity as general partner;
- Bauta Logistics: owned by a limited company ultimately controlled by its Managing Director Michael Osekereh;
- Mokobela Shakati: sponsored by Moss Ngoasheng, and Monhla Hlahla.

AIIM is a private equity investment manager and a wholly-owned subsidiary of Old Mutual Alternative Investments dedicated to infrastructure investments in the ports and logistics, energy transition and digital infrastructure sectors. AIIM is the lead consortium member and intends to conclude the Transaction in its capacity as investment manager of the IDEAS Fund and AIF4 Fund. Bauta Logistics operates in the food logistics sector with the aim of being a leading partner in temperature-controlled logistics for the Middle East-Africa region food and agriculture industries. Mokobela Shakati is a strategic investment and empowerment partner in the consortium.

2. BACKGROUND TO CCS LOGISTICS

CCS Logistics, a wholly-owned subsidiary of Oceana, is a leading cold storage provider in Southern Africa offering primary temperature-controlled storage and handling services of mainly perishable products on behalf of major manufacturers, exporters and importers. CCS Logistics has six cold storage facilities with a storage capacity of about 100,000 pallets across South Africa and Namibia.

3. RATIONALE FOR THE TRANSACTION

The Transaction will enable Oceana to allocate capital to opportunities more aligned to its strategic objectives and core strengths in the global fish protein sector, while the Purchaser has ambitious goals of expanding the CCS Logistics footprint on the African continent. The Transaction includes 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.

4. KEY TERMS OF THE TRANSACTION

The Consideration will be settled in cash on a debt-free basis at the time of implementation of the Transaction. The Transaction has been structured using a locked-box mechanism subject to ordinary course leakage provisions.

The Transaction encapsulates warranties and indemnities standard for a transaction of this nature.

The effective date of the Transaction is dependent on the fulfilment of the conditions precedent as set out in paragraph 7 below which is expected to occur within four to six months from the date of this announcement.

5. APPLICATION OF PROCEEDS

The proceeds will be applied to further strengthen the cash reserves of the Group and may be used to reduce current Group debt levels.

6. FINANCIAL INFORMATION

The value of the net assets attributable to CCS Logistics amounts to R156.8 million (excluding cash) as at 30 September 2021. Segmental profit after tax for the financial year ended 30 September 2021 was R70.4 million (normalised segmental profit after tax after adjusting for certain once-off asset disposals, was R48.6 million).

The financial information has been extracted from the audited financial information of Oceana (prepared in terms of IFRS) for the year ended 30 September 2021.

7. CONDITIONS PRECEDENT

The Transaction is subject to the fulfillment of both regulatory and commercially suspensive conditions, as are usual for a transaction of this nature, by no later than 28 February 2023. These conditions include, inter alia (i) competition authority approval in South Africa and Namibia on terms and conditions acceptable to both parties and (ii) the Department of Forestry, Fisheries and Environment granting an exemption for the transfer or approving the transfer of the fish processing establishment rights.

8. CATEGORISATION

The Transaction constitutes a category 2 transaction in terms of the JSE Limited Listings Requirements and accordingly does not require Oceana shareholder approval. Three non-executive directors of the Oceana Board have declared their respective interests given their affiliation with the Old Mutual Limited Group and/or affiliated subsidiaries and have recused themselves from voting on this transaction as aligned to the JSE Listings Requirements.

Cape Town

04 October 2022

Sponsor – Primary Listing:

The Standard Bank of South Africa Limited

Namibian Sponsor – Secondary Listing:

Old Mutual Investment Services (Namibia) Proprietary Limited

Financial Adviser to Oceana:

Investec Bank Limited

Legal adviser to Oceana:

Webber Wentzel Inc.

M&A consultant to Oceana:

Masico Advisory Proprietary Limited