

Sea Harvest Group Limited
 Incorporated in the Republic of South Africa
 Reg no: 2008/001066/06
 JSE share code: SHG
 ISIN: ZAE000240198
 "Sea Harvest" or "the Company" or "the Group"

SEA HARVEST UNAUDITED INTERIM RESULTS
 for the six months ended 30 June 2023

1. Key performance indicators

KEY PERFORMANCE INDICATORS	CHANGE	PERIOD ENDED 30 JUNE 2023	PERIOD ENDED 30 JUNE 2022
Revenue (R'000)	18%	3 202 639	2 705 863
International revenue mix (%)		45	39
Gross profit (R'000)	15%	776 788	676 965
Gross profit margin (%)		24	25
Operating profit (R'000)	-9%	251 992	277 291
Operating profit margin (%)		8	10
Earnings before interest and tax (EBIT) (R'000)	23%	352 109	286 916
EBIT margin (%)		11	11
Profit after taxation (R'000)	11%	199 732	180 078
Profit after taxation attributable to shareholders of Sea Harvest Group	14%	212 529	186 662
Headline earnings (R'000)	17%	212 716	182 305
weighted average number of shares ('000)	-2%	276 074	280 433
Basic earnings per share (EPS) (cents)	16%	77	67
Basic headline earnings per share (HEPS) (cents)	19%	77	65
Net asset value (NAV) per share (cents)	4%	1 175	1 125
ZAR: Euro average exchange rate*	18%	19.88	16.90
ZAR: AUD average exchange rate*	10%	12.18	11.09
Closing share price (cents)		1 010	1 219

* Average spot exchange rate at which sales were recorded.

2. Short-form announcement

The Sea Harvest Group proved its resilience and defensive nature in the six months to 30 June 2023 by delivering EBIT of R352 million, 23% ahead of 2022, and HEPS of 77 cents, 19% ahead of 2022. The Group increased revenue by 18% to R3.2 billion (2022: R2.7 billion), benefiting from strong demand, higher selling prices in all markets and channels, and a weaker rand, thereby mitigating the significant inflation (including the double digit increases in the fuel price and milk price) and continued load shedding experienced during the period.

South African Fishing: Despite lower available volumes as a result of the prior year FRAP process and challenging fishing conditions due to the erratic weather, the segment proved its resilience by increasing revenue 10% to R1.57 billion (2022: R1.42 billion) benefiting from firm demand in all markets and channels, higher selling prices, and the 8% benefit from a weaker rand. Costs were well contained during the period, with cost of sales increasing by 6% despite the 16% increase in the fuel price and above inflation cost increases in packaging and ingredients, while operating expenses increased by 3%, with above inflation cost increases in utilities and insurance offset by lower selling and distribution costs. After accounting for foreign exchange and fuel hedge losses of R5 million (2022: R89 million gains), the segment delivered operating profit of R238 million (2022: R236 million, 1% higher), at an operating profit margin of 15% (2022: 17%).

Aquaculture: Revenue increased 11% to R62 million (2022: R56 million), with higher selling prices as a result of a recovering Asian market, a higher-value product mix, and the tailwinds of a weaker rand offset by lower available volumes due to the farms still being in their growth phase. After accounting for fair value adjustments, impairments, associate income and the gain on purchased loans, the segment delivered EBIT of R79 million (2022: EBIT loss of R19 million).

Cape Harvest Foods: The segment was negatively impacted by supply constraints during the period. Lower countrywide milk flow (as farmers faced significant cost inflation), load shedding, and a load shedding-related fire at Ladismith (which caused a one-month disruption at the facility) curtailed available volumes. Despite these challenges and a constrained local consumer, revenue in the segment increased 9% to R1.05 billion (2022: R956 million), benefiting from higher selling prices across all categories. The significant inflation in cost of sales (including the double digit increase in the milk price), compounded by R15 million in costs associated with load shedding, resulted in operating profit decreasing 48% to R29 million (2022: R55 million).

Australia: The segment delivered a 94% increase in revenue to R524 million (2022: R270 million), benefiting from the inclusion of MG Kailis for the full period and a weaker rand to the Australian dollar. After absorbing additional fixed expenses in relation to MG Kailis for the full period as well as elevated selling and distribution expenses, the segment recorded operating profit of R2 million (2022: R4 million).

Group EBIT increased 23% to R352 million (2022: R287 million) with the Group EBIT margin constant at 11%.

Net finance costs, which includes investment income and interest expense, increased to R104 million (2022: R52 million) as a result of higher average borrowing levels during the period and average interest rates 47% higher than the prior period.

Profit after tax attributable to shareholders of Sea Harvest for the period increased 14% to R213 million (2022: R187 million) and headline earnings increased 17% to R213 million (2022: R182 million). Basic EPS increased 16% to 77 cents (2022: 67 cents) and basic HEPS increased 19% to 77 cents (2022: 65 cents).

The Board wishes to thank management and employees for their loyalty, dedication, care, and professionalism in contributing to the success of the Group.

The interim results have not been reviewed or reported on by the Group's external auditors. This short-form announcement is the responsibility of the directors of the Group.

It contains only a summary of the information in the full announcement and does not contain full or complete details. The full announcement can be found at: <https://senspdf.jse.co.za/documents/2023/jse/isse/shge/SHGHY2023.pdf>

Copies of the full announcement are also available for viewing on the Group's website at: www.seaharvestgroup.co.za or may be requested in person, at the Group's registered office or the office of the sponsor, at no charge, during office hours.

Any investment decisions by investors and/or shareholders should be based on consideration of the full announcement, as a whole.

3. Cash dividend declaration

In accordance with the Group's dividend policy, no interim dividend is declared or proposed for the six months ended 30 June 2023.

Date: 4 September 2023

Sponsor: Standard Bank