

Oceana Group Limited

Incorporated in the Republic of South Africa

(Registration number 1939/001730/06)

JSE / A2X share code: OCE

NSX Share Code: OCG

ISIN Number: ZAE000025284

("Oceana" or "the Group")

VOLUNTARY TRADING UPDATE AND TRADING STATEMENT

1. VOLUNTARY TRADING UPDATE FOR THE FIVE MONTHS ENDED 25 FEBRUARY 2024

A strong operating performance in the United States contributed to the Group delivering a 13.2% increase in revenue for the five months ended 25 February 2024 ("the period"). As previously communicated, Daybrook's higher opening inventory levels enabled higher fishmeal and fish oil sales volumes at record US dollar fish oil pricing levels during the period. Revenue further benefitted from the positive effect of the weaker Rand exchange rate on export and US dollar translated revenue. Lower sales volumes of Lucky Star canned products and wild caught seafood species moderated this strong revenue growth.

Canned Fish and Fishmeal (Africa)

Lucky Star's canned food revenue declined by 8.7% for the period due to lower sales volumes largely as a result of the high base in the prior comparative period where record sales were boosted by customer buy-in ahead of the January 2023 price increase.

Fishmeal and fish oil revenue in the South African (SA) business reduced by 36.3% for the period due to lower opening inventory levels and resultant lower sales volumes coupled with lower volumes of pilchard offcuts from the cannery, linked to the longer factory closure.

The decision to close both West Coast plants earlier than normal to implement the planned factory upgrades resulted in lower production volumes for the period, which impacted fixed cost recovery and operating margin. The upgrades are progressing as planned with the St Helena Bay cannery and fishmeal plant upgrades completed in mid-January and the Laaiplek fishmeal plant upgrade expected to be completed by mid-April.

Fishmeal and Fish oil (USA)

Higher opening inventory levels and good fish oil yields produced from end of season October landings, together with continued strong global pricing for fishmeal and fish oil, resulted in an exceptional performance for the period with revenue doubling. The upcoming fishing season is set to commence on 15 April 2024.

Wild Caught Seafood

The SA Horse Mackerel operating performance was impacted by lower volumes due to persistently lower catch rates. This was compounded by the Desert Diamond vessel being unable to fish for a large portion of the period due to an unplanned major breakdown and extended time required to source replacement parts.

In Namibia, improved horse mackerel catch rates in the second quarter, together with firm demand and US dollar export pricing, benefitted performance.

Hake performed well for the period with higher sales volumes and improved prices, driven by strong European demand. The increase in sales volumes was due to an improvement in fleet utilisation however, catch rates across the industry remained below historical average.

Poor fishing conditions during the period adversely impacted industry-wide squid catch rates.

These factors contributed to revenue in this segment reducing by 18.4% for the period.

Outlook

The constrained domestic consumer environment is expected to continue to place pressure on protein consumption. Despite the tough trading environment, Lucky Star expects stronger March sales volumes resulting in a marginal decline in revenue at the interim period close. Lucky Star's second half focus will be on margin enhancement while sales volumes are expected to benefit from the new canned meat facility which is now in full production.

Anchovy and red eye landings for the season, which peak between March and July each year, will be key to the performance of South African fishmeal and fish oil business.

Global fishmeal and fish oil markets will monitor the fishing and production output of Peru's first anchovy season which runs April to June, and this could slow demand and the willingness of customers to commit to longer term contracts until Peru's performance is known. Pricing for fish oil is expected to remain strong in the short- to medium-term given the shortage in global supply to meet market demand. Daybrook will continue with the practice of ensuring that inventory levels are adequate to meet customer demand levels during its off season.

Market demand for wild caught species is expected to remain firm with second half performance largely dependent on catch rates in both SA and Namibia, which have shown initial signs of recovery in the second quarter. The Desert Diamond is expected to return to sea during the second half.

Following the certainty provided by the 15-year renewal of fishing rights, the Group is on track with its three-year capital investment plan to upgrade its SA processing facilities and vessels, which will result in direct efficiency gains and benefit future operational performance.

2. TRADING STATEMENT FOR THE SIX MONTHS ENDING 31 MARCH 2024

The Group is nearing the end of its six months ending 31 March 2024. In accordance with section 3.4(b) of the Listings Requirements of the JSE Limited (“JSE”), a listed company must publish a trading statement once it is satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported on next will differ by at least 20% from the financial results reported in the prior period.

The Group is satisfied that a reasonable degree of certainty exists that total basic headline earnings per share (HEPS) and total basic earnings per share (EPS) for the six months ending 31 March 2024 will be more than 60% higher than the reported HEPS of 299.1 cents and EPS of 295.4 cents for the prior comparative period. This increase in earnings is primarily due to higher opening fishmeal and fish oil inventory levels in the US, and record international pricing for fish oil.

Further earnings guidance will be provided to shareholders when the Group has reasonable certainty of the anticipated EPS and HEPS range, in accordance with paragraph 3.4(b)(iii) of the Listings Requirements of the JSE.

The Group’s interim results are expected to be released on the Stock Exchange News Service on 10 June 2024.

The financial information and any forward-looking statements in this announcement have not been reviewed or reported on by the Group's auditors.

15 March 2024

Cape Town

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