

## ANNUAL FINANCIAL STATEMENTS

The annual financial statements for the year ended 30 September 2001 which appear on page 22 and pages 29 to 52 were approved by the board of directors on 1 November 2001 and signed on its behalf by:



**DMJ Ncube**  
Chairman



**AB Marshall**  
Managing director

### REPORT OF THE COMPANY SECRETARY

In terms of section 268 G (d) of the Companies Act 1973, as amended, I certify that the company has lodged with the Registrar all such returns as are required by the Companies Act.



**JD Cole**  
Company secretary

### REPORT OF THE INDEPENDENT AUDITORS

to the members of Oceana Group Limited

We have audited the annual financial statements and group annual financial statements of Oceana Group Limited set out on page 22 and pages 29 to 52. These financial statements are the responsibility of the company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

#### SCOPE

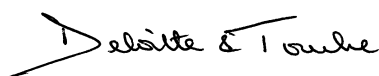
We conducted our audit in accordance with statements of South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

#### AUDIT OPINION

In our opinion, the financial statements fairly present, in all material respects, the financial position of the company and the group at 30 September 2001 and the results of their operations and cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice and in the manner required by the Companies Act in South Africa.



**Deloitte & Touche**  
Registered Accountants and Auditors  
Chartered Accountants (SA)

Cape Town  
1 November 2001

# REPORT OF THE DIRECTORS

Your directors submit their annual report which forms part of the annual financial statements for the year ended 30 September 2001.

## NATURE OF BUSINESS AND OPERATIONS

The principal activities of the company and its subsidiaries are detailed in the Group Profile and the Group at a Glance sections on pages 2, 6 and 7 of this report. In addition, the group also carries on the business of investing funds surplus to its immediate requirements.

## SHARE CAPITAL

During the year under review 1 641 000 shares were allotted in terms of the company's share option scheme increasing the issued share capital by R1 641. Premiums totalling R6 914 759 in respect of these allotments have been credited to the share premium account. Details of the authorised and issued share capital of the company are set out in note 19 to the financial statements.

## FINANCIAL RESULTS

The results for the year under review are reflected in the income statements on page 34 of this report.

## DIVIDENDS

Dividends paid and provided for are set out in note 10 to the financial statements.

## DIRECTORS AND OFFICERS

The names of the present directors appear on page 4 and the name, business and postal address of the secretary appear on page 56.

During the year under review Mr TN Chapman resigned as a director.

The aggregate interest of the directors in the issued share capital of the company at 30 September was as follows:

	Number of shares	
	2001	2000
Beneficial – direct and indirect	338 500	658 500

No director holds 1% or more of the issued share capital of the company and details of their individual interests in the issued share capital of the company and in options held by them in terms of the Oceana Group (1985) Share Option and Share Purchase Schemes are available from the secretary upon request.

No material change has taken place in the extent of the above interests since the year end.

## SUBSIDIARIES AND JOINT VENTURES

Details of subsidiaries and joint ventures are given in a separate schedule on page 51 of this report.

During the year the company invested R41,2 million through Interfrost (Pty) Limited in the Western Australian rock lobster fishery.

On 1 January 2001 the company acquired a 44,9% interest in Atlantic Sea Products Controlling (Pty) Limited, a Namibian company with operations in the pelagic and white fish sectors of the Namibian fishing industry.

## REPORT OF THE DIRECTORS

The interest of the company for the year in the total profits and losses after taxation of its subsidiaries, was as follows:

	2001 R'000	2000 R'000
Total profit after taxation	145 390	105 370
Profit attributable to outside shareholders	3 365	592
Attributable to shareholders of Oceana Group Limited	142 025	104 778
Total losses after taxation attributable to shareholders of Oceana Group Limited	12 989	361

### HOLDING COMPANY

At year end the holding company was Ocfish Holding Company Limited, which held 49,0% of the issued share capital.

# ACCOUNTING POLICIES

The financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice on the historical cost basis and incorporate the following principal accounting policies which are consistent in all material respects with those followed during the previous financial year, except as indicated in note 1.

## BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the company and its subsidiaries. Operating results of subsidiaries acquired or disposed of during the reporting period are included from or to the date of acquisition or disposal.

## COMPARATIVE FIGURES

When an accounting policy is altered, comparative figures are restated in accordance with the new policy.

## TRANSLATION OF FOREIGN CURRENCIES

Balances outstanding on foreign transactions at the year end have been translated to Rand at the rates of exchange ruling at that date.

Profits or losses on translation are accounted for in the income statement in the year in which they arise.

## GOODWILL

Goodwill, being the excess of the cost of the shares acquired over the fair value of net assets of subsidiaries at dates of acquisition, is capitalised and amortised over the expected useful life or set off against non-distributable reserves arising on previous acquisitions of shares in that subsidiary.

Negative goodwill, which represents the excess of the group's interest in the fair value of the identifiable assets and liabilities acquired over the cost of acquisition, is eliminated proportionately against the fair values of the non-monetary assets acquired.

## TRADEMARKS, FISHING RIGHTS AND QUOTAS

Trademarks, fishing rights and quotas acquired are capitalised and amortised on the straight line basis over the expected useful lives which vary from five to twenty years.

## PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

Property, plant and equipment are stated at cost. Maintenance and repairs are either charged to expense when incurred, or in certain situations where major inspection or overhaul costs have been incurred, such costs are capitalised and amortised over the period between major inspection or overhauls.

Depreciation has not been provided for on land.

Buildings on freehold land are depreciated on the straight line basis over their estimated useful lives.

Buildings on leasehold land are amortised over the period of the leases.

The following depreciation rates are applied on the straight line basis to the cost of property, plant and equipment:

	% per annum
Buildings	2
Plant	10 – 30
Furniture and equipment	10
Vehicles	20
Fishing vessels	10
Nets	33

## ASSOCIATE COMPANIES

Associates are those companies which are not subsidiaries or joint ventures over which the group exercises a significant influence and in which it holds a long term equity interest.

Associate companies are accounted for on the equity basis from their most recent financial statements. Equity accounted income, which is included in the respective carrying values of the investments, represents the group's proportionate share of associate companies' retained income after accounting for dividends payable by those associates.

## JOINT VENTURES

Joint ventures are those companies over which there are contractual agreements whereby the group and one or more other venturers undertake an economic activity, which is subject to joint control.

Joint ventures are accounted for by means of the proportionate consolidation method whereby the attributable share of each of the assets, liabilities, income and expenses and cash flows of the jointly controlled entity is combined on a line by line basis with similar items in the group's annual financial statements.

The consolidated cash flow statement includes the group's share of the cash flows of the jointly controlled entity. A proportionate share of inter-company items is eliminated.

Any difference between the cost of acquisition and the group's fairly valued share of the net identifiable assets is recognised and treated according to the group's accounting policy for goodwill.

Appropriate adjustments are made to align accounting policies of the jointly controlled entity with those of the group, where these are different.

## INVESTMENTS

Investments are stated at cost less amounts written off. Investments are written down to give recognition to any permanent decline in value.

## INVENTORIES

Inventories are stated at the lower of cost and net realisable value using the specific cost to value goods purchased for resale, while the average method is used to value finished goods and consumable stores.

The cost of finished goods includes all direct variable costs and an appropriate proportion of fixed overhead expenditure.

Redundant and slow moving inventories are identified and written down to their estimated net realisable values.

## PROVISIONS

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will occur, and where a reliable estimate can be made of the amount of the obligation.

## FINANCIAL INSTRUMENTS

Financial instruments carried on the balance sheet include bank and cash resources, investments, receivables, payables and overdrafts.

Fair values and the recognition methods of the different financial instruments are disclosed in the notes to the annual financial statements. Fair values represent an approximation of the year end value, which may differ from the value that will be finally realised.

Financial instruments are offset when the group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

# ACCOUNTING POLICIES

## REVENUE

Revenue comprises the selling value of goods delivered, for which title has passed, and services rendered during the year excluding value added tax. In the determination of revenue, transactions within the group are excluded.

## RESEARCH AND DEVELOPMENT

Expenditure on research and development is charged to operating profit in the year in which it is incurred.

## DEFERRED TAXATION

Deferred taxation is provided on the comprehensive method using the liability basis in respect of net temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of assessable tax profit. In general deferred taxation liabilities are recognised for all taxable temporary differences and deferred taxation assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

## ABNORMAL ITEMS

Abnormal items are those items which, because of their size, nature or incidence make their disclosure relevant to explain the performance of the group. Income before taxation is stated after abnormal items.

## EARNINGS PER SHARE

Headline earnings per share and diluted headline earnings per share are calculated in accordance with the requirements of AC104 whilst basic earnings per share is based on net profit attributable to ordinary shareholders.

## RETIREMENT FUNDS

The group provides retirement benefits for its employees through a number of defined contribution and defined benefit plans.

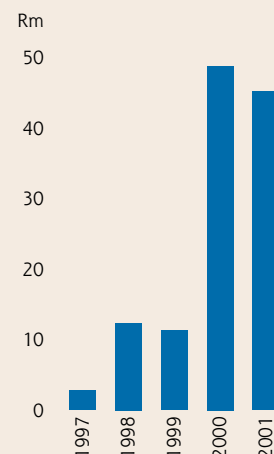
Contributions by group companies to defined contribution retirement plans are recognised as an expense in the period in which the related services are rendered by employees.

Current service costs in respect of defined benefit retirement plans are actuarially determined and recognised as an expense in the period in which the related services are rendered by employees. Past service costs in respect of existing employees, including changes in actuarial assumptions, plan amendments and experience adjustments, are recognised as income or an expense systematically over the expected remaining working lives of the employees concerned. However, any income arising is only recognised to the extent that it is realised through the taking of contribution holidays.

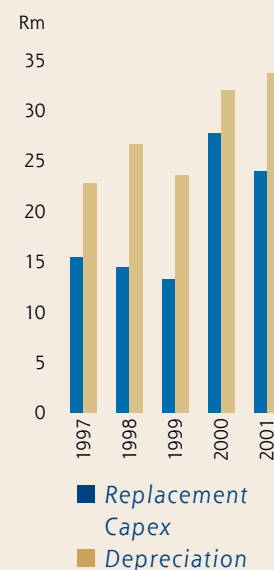
All plans are funded. Funding shortfalls arising in defined benefit plans are met by group companies through lump sum payments or increased future contributions.

Historically, qualifying employees have been granted certain post retirement medical benefits. The practice has been discontinued and the potential liability in respect of current and retired employees to whom the benefit was granted has been provided for in the financial statements.

## EXPANSION CAPEX 2001



## REPLACEMENT CAPEX/DEPRECIATION



# INCOME STATEMENTS

for the year ended 30 September 2001

	Note	GROUP		COMPANY	
		2001 R'000	2000 R'000	2001 R'000	2000 R'000
Revenue	2	<b>2 084 523</b>	1 737 473	<b>13 761</b>	18 487
		<b>1 879 094</b>	1 571 608	<b>13 409</b>	18 317
Cost of sales		<b>1 515 531</b>	1 258 645		
Sales and distribution expenditure		<b>130 958</b>	120 327		
Marketing expenditure		<b>17 867</b>	9 644		
Overhead expenditure		<b>214 738</b>	182 992	<b>13 409</b>	18 317
Operating profit	3	<b>205 429</b>	165 865	<b>352</b>	170
Dividend income	5	<b>206</b>	–	<b>90 584</b>	41 785
Retained earnings of associate company		<b>–</b>	61		
Interest received	6	<b>20 259</b>	15 127	<b>23 942</b>	22 604
Interest paid		<b>(10 223)</b>	(6 160)	<b>(9 973)</b>	(10 004)
Profit before taxation and abnormal items		<b>215 671</b>	174 893	<b>104 905</b>	54 555
Abnormal items	7	<b>2 054</b>	383	<b>–</b>	263
Profit before taxation		<b>217 725</b>	175 276	<b>104 905</b>	54 818
Taxation	8	<b>76 008</b>	62 038	<b>5 011</b>	4 804
Profit after taxation		<b>141 717</b>	113 238	<b>99 894</b>	50 014
Attributable to outside shareholders in subsidiaries		<b>3 365</b>	592		
Net profit attributable to shareholders of Oceana Group Limited		<b>138 352</b>	112 646	<b>99 894</b>	50 014
Basic earnings per share (cents)	9	<b>131,6</b>	108,6		
Headline earnings per share (cents)	9	<b>127,2</b>	107,3		
Diluted basic earnings per share (cents)	9	<b>127,8</b>	106,7		
Diluted headline earnings per share (cents)	9	<b>123,5</b>	105,4		
Dividends per share (cents)	10	<b>53,4</b>	45,0		
Headline dividend cover (times)		<b>2,4</b>	2,4		

# BALANCE SHEETS

at 30 September 2001

		GROUP		COMPANY	
	Note	2001 R'000	2000 R'000	2001 R'000	2000 R'000
ASSETS					
Non-current assets		246 040	190 995	119 788	42 887
Property, plant and equipment	11	194 758	158 142	748	324
Goodwill and other intangibles	12	27 450	–		
Deferred taxation	13	16 254	22 331	278	234
Investments	14	801	279	248	248
Oceana Group Share Trust	15	6 777	10 243	6 777	10 243
Interest in subsidiaries and joint ventures	16			111 737	31 838
Current assets		732 014	671 416	103 511	122 268
Inventories	17	130 179	169 987		
Accounts receivable	18	438 264	339 695	871	2 362
Cash and cash equivalents		163 571	161 734	102 640	119 906
Total assets		978 054	862 411	223 299	165 155
EQUITY AND LIABILITIES					
Capital and reserves		476 413	379 247	170 733	120 514
Share capital and premium	19	23 712	16 795	23 712	16 795
Non-distributable reserves	20	21 041	13 929		
Retained surplus	21	431 660	348 523	147 021	103 719
Interest of outside shareholders		7 834	5 284		
Non-current liabilities		10 447	960		
Deferred taxation	13	10 447	960		
Current liabilities		483 360	476 920	52 566	44 641
Bank overdrafts		73 022	76 384		
Accounts payable		330 880	294 850	8 908	7 777
Provisions	22	10 962	54 770	173	784
Taxation		25 650	15 415	639	579
Shareholders for dividend	10	42 846	35 501	42 846	35 501
Total equity and liabilities		978 054	862 411	223 299	165 155



# STATEMENTS OF CHANGES IN EQUITY

for the year ended 30 September 2001

	Note	R'000 Share capital and premium	R'000 Non-distribut- able reserves	R'000 Distribut- able reserves	R'000  Total
<b>GROUP</b>					
Balance at 30 September 1999		11 857	11 632	282 998	306 487
Transfer between reserves			(94)	94	–
Shares issued		4 938			4 938
Other			558		558
Goodwill written off				(219)	(219)
Movement on foreign currency translation reserve			1 833		1 833
Net profit for the year				112 646	112 646
Dividends				(46 996)	(46 996)
Balance at 30 September 2000		16 795	13 929	348 523	379 247
Adjustment to opening balance	1.3			1 466	1 466
Restated balance at 30 September 2000		16 795	13 929	349 989	380 713
Shares issued		6 917			6 917
Movement on foreign currency translation reserve			7 112		7 112
Net profit for the year				138 352	138 352
Dividends				(56 681)	(56 681)
<b>Balance at 30 September 2001</b>		<b>23 712</b>	<b>21 041</b>	<b>431 660</b>	<b>476 413</b>
<b>COMPANY</b>					
Balance at 30 September 1999		11 857		100 701	112 558
Shares issued		4 938			4 938
Net profit for the year				50 014	50 014
Dividends				(46 996)	(46 996)
Balance at 30 September 2000		16 795		103 719	120 514
Adjustment to opening balance	1.3			89	89
Restated balance at 30 September 2000		16 795		103 808	120 603
Shares issued		6 917			6 917
Net profit for the year				99 894	99 894
Dividends				(56 681)	(56 681)
<b>Balance at 30 September 2001</b>		<b>23 712</b>		<b>147 021</b>	<b>170 733</b>

# CASH FLOW STATEMENTS

for the year ended 30 September 2001

		GROUP		COMPANY	
	Note	2001 R'000	2000 R'000	2001 R'000	2000 R'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Operating profit		205 429	165 865	352	170
Adjustment for non cash items		33 107	31 364	(307)	192
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES					
Working capital changes	A	238 536 (63 069)	197 229 5 529	45 2 622	362 15
CASH GENERATED FROM OPERATIONS					
Interest received from investments		175 467	202 758	2 667	377
Dividends received from investments		20 259	15 127	23 942	22 604
Interest paid		206	–	90 584	41 785
Taxation paid	B	(10 223)	(6 160)	(9 973)	(10 004)
Dividends paid	C	(52 033)	(54 393)	(5 033)	(6 966)
		(49 881)	(38 226)	(49 336)	(38 007)
NET CASH FLOWS FROM OPERATING ACTIVITIES					
CASH FLOWS APPLIED TO INVESTING ACTIVITIES					
Replacement capital expenditure		83 795	119 106	52 851	9 789
Expansion capital expenditure		(79 366)	(106 711)	(77 034)	(30 546)
Acquisition of shares in a subsidiary	D	(23 907)	(27 765)	(637)	(167)
Acquisition of businesses	D	(45 158)	(48 754)		
Fishing rights acquired		–	(31 933)	(41 244)	–
Research and development expenditure		(20 034)	–	–	(31 933)
Proceeds on disposal of property, plant and equipment		(640)	(623)		
Proceeds on disposal of investment		6 907	5 761	37	2
Net movement on loans and advances		1	–		
		3 465	(3 397)	(35 190)	1 552
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING ACTIVITIES					
CASH FLOWS FROM FINANCING ACTIVITIES					
Long-term borrowings repaid (net)		4 429	12 395	(24 183)	(20 757)
Proceeds from issue of share capital		6 917	4 888	6 917	4 938
		–	(50)		
		6 917	4 938	6 917	4 938
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS					
Borrowings resulting from acquisition of business	D	11 346	17 283	(17 266)	(15 819)
Cash and cash equivalents in disposal	E	(8 911)	(10 990)		
		(34)	–		
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR					
Effect of exchange rate changes	F	85 350	79 057	119 906	135 725
		2 798	–		
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR					
	F	90 549	85 350	102 640	119 906

# NOTES TO THE CASH FLOW STATEMENTS

for the year ended 30 September 2001

	GROUP		COMPANY	
	2001 R'000	2000 R'000	2001 R'000	2000 R'000
A. Working capital changes are calculated as follows:				
Inventories	40 252	11 945		
Accounts receivable	(95 639)	(53 360)	1 491	(1 008)
Accounts payable	(7 682)	46 944	1 131	1 023
<b>TOTAL WORKING CAPITAL CHANGES</b>	<b>(63 069)</b>	5 529	<b>2 622</b>	15
B. Taxation paid is reconciled to the amounts disclosed in the income statement as follows:				
Amounts unpaid at beginning of year, net	(14 800)	(15 300)	(579)	(2 741)
Per the income statement (Note 8)	(61 067)	(53 893)	(5 093)	(4 804)
Abnormal items (Note 8)	(28)	–		
Adjustment in respect of business acquired	(1 054)	–		
Amounts unpaid at end of year, net	24 916	14 800	639	579
<b>CASH AMOUNTS PAID</b>	<b>(52 033)</b>	(54 393)	<b>(5 033)</b>	(6 966)
C. Dividends paid are reconciled to the amounts disclosed in the income statement as follows:				
Amounts unpaid at beginning of year	(36 046)	(26 731)	(35 501)	(26 512)
Per the income statement (Note 10)	(56 681)	(46 996)	(56 681)	(46 996)
Dividends accrued to outside shareholders	(2 118)	(545)		
Amounts unpaid at end of year	44 964	36 046	42 846	35 501
<b>CASH AMOUNTS PAID</b>	<b>(49 881)</b>	(38 226)	<b>(49 336)</b>	(38 007)
D. Acquisition of businesses				
Acquisition of shares in a subsidiary			(41 244)	–
Investment in joint venture			–	(31 933)
Property, plant and equipment	9 460	16 394		
Goodwill and other intangibles	8 027	–		
Investments	522	28		
Inventories	429	17 252		
Accounts receivable	121	2 982		
Accounts payable	(8 594)	(2 518)		
Taxation	(1 054)	–		
Long-term loan	–	(103)		
Outside shareholders share of loan	–	10 614		
Deferred taxation	–	(1 168)		
Non-distributable reserve	–	(558)		
Net borrowings	(8 911)	(10 990)		
<b>CASH MOVEMENT ON ACQUISITION</b>	<b>–</b>	(31 933)	<b>(41 244)</b>	(31 933)
E. Disposal of portion of investment in a subsidiary				
Outside shareholders	(1 289)	–		
Property, plant and equipment	(6 338)	–		
Inventories	(64)	–		
Accounts receivable	(115)	–		
Accounts payable and provisions	8 256	–		
Surplus on disposal	(416)	–		
<b>CASH MOVEMENT ON DISPOSAL</b>	<b>(34)</b>	–		
F. Cash and cash equivalents				
Cash at bank	163 571	161 734	102 640	119 906
Bank overdrafts	(73 022)	(76 384)		
	<b>90 549</b>	85 350	<b>102 640</b>	119 906

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

at 30 September 2001

		GROUP		COMPANY	
		2001 R'000	2000 R'000	2001 R'000	2000 R'000
1.	CHANGES IN ACCOUNTING POLICY				
1.1	The company has changed its accounting policy for goodwill and other intangible assets. Whereas goodwill and intangible assets were previously written off to distributable reserves, they are now capitalised and amortised over their expected useful lives in terms of AC129.				
1.2	The company has changed its accounting policy for providing for the impairment of vessels, plant and equipment. The company used to provide for the impairment of these assets which occurred during the conduct of its operating activities. These provisions were included in current liabilities as the impairments were of a temporary nature and were rectified through subsequent maintenance expenditure. This practice is no longer permissible in terms of AC128. The effect of this change is set out below: Impairment provisions at beginning of the year reversed to income	36 352	–		
	Major maintenance expenditure in respect of these provisions charged to income	35 854	–		
1.3	Provisions have been accounted for in accordance with AC130. This has resulted in an adjustment to opening retained income as disclosed in the statement of changes in equity as follows:				
	Reversal of excess provisions brought forward	2 116	–	127	–
	Reversal of deferred tax on excess provisions	(636)	–	(38)	–
	Attributable to outside shareholders	(14)	–		
	Adjustment to opening retained income	1 466	–	89	
	Prior year figures for the above have not been restated.				
1.4	The company has changed its accounting policy for revenue recognition. Whereas transactions within the group, which were at arm's length and arose in the normal course of business, were previously included, these transactions with companies in the group are now excluded.				
	Revenue as previously reported	–	1 747 281		
	Intergroup transactions excluded	–	(9 808)		
	Revenue as restated	–	1 737 473		
2.	REVENUE				
	The main categories of revenue are set out below:				
	Oceana Brands	801 677	758 145		
	Erongo Group	436 739	342 034		
	Commercial Cold Storage and Logistics	108 338	99 416		
	Blue Continent Group	737 769	537 878		
	Other			13 761	18 487
		2 084 523	1 737 473	13 761	18 487

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

at 30 September 2001

	GROUP		COMPANY	
	2001 R'000	2000 R'000	2001 R'000	2000 R'000
3. OPERATING PROFIT IS ARRIVED AT AFTER TAKING INTO ACCOUNT THE FOLLOWING ITEMS				
<b>Income</b>				
Net surplus on disposal of property, plant and equipment	3 324	1 219		
<b>Expenditure</b>				
Auditors' remuneration				
fees for audit – current year	2 191	1 585	147	90
– prior year under provision	337	35	64	15
expenses	35	59	8	7
other services	796	193	220	30
	3 359	1 872	439	142
Cost of inventories utilised	1 515 531	1 258 645		
Depreciation of property, plant and equipment				
buildings	3 403	2 943		
plant, equipment, and vehicles	17 728	19 815	176	190
fishing vessels and nets	12 510	9 202		
	33 641	31 960	176	190
Amortisation of goodwill and other intangibles	1 842	–		
Managerial, administrative, technical and secretarial fees	2 826	612	489	503
Movement on liability provisions	(43 808)	(17 228)	(784)	(296)
Operating lease expenses				
properties	6 513	5 606	278	340
equipment and vehicles	518	523		
Provision for post retirement medical aid	308	–		
Research and development expenditure	640	623		
Employment costs	181 501	151 399		
Foreign exchange profit	10 988	2 775		
4. DIRECTORS' EMOLUMENTS				
<b>Executive directors</b>				
Managerial and other services			11 505	7 703
Gains on exercise of share options			1 618	690
			13 123	8 393
Paid by:				
Holding company			4 906	4 122
Subsidiary companies			8 217	4 271
			13 123	8 393
<b>Non-executive directors</b>				
Paid by holding company				
Services as directors			348	188
No director has a service contract in excess of one year.				

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

at 30 September 2001

	GROUP		COMPANY	
	2001 R'000	2000 R'000	2001 R'000	2000 R'000
<b>5. DIVIDEND INCOME</b>				
Subsidiaries			<b>90 578</b>	41 785
Unlisted investments	<b>206</b>	–	<b>6</b>	–
	<b>206</b>	–	<b>90 584</b>	41 785
<b>6. INTEREST RECEIVED</b>				
Unlisted investments	<b>20 259</b>	15 127	<b>7 501</b>	13 502
Subsidiaries			<b>16 441</b>	9 102
	<b>20 259</b>	15 127	<b>23 942</b>	22 604
<b>7. ABNORMAL ITEMS</b>				
Net surplus on disposal of fixed property	<b>1 638</b>	120		
Profit on disposal of portion of an investment in a subsidiary	<b>416</b>	–		
Adjustment – Federal Marine	–	289	–	289
Investment written off	–	(26)	–	(26)
	<b>2 054</b>	383	–	263
<b>8. TAXATION</b>				
<b>8.1 South African normal taxation</b>				
Current	<b>49 223</b>	42 686	<b>4 298</b>	3 986
Adjustments in respect of previous year	<b>276</b>	3 496	<b>(45)</b>	96
Abnormal item	<b>28</b>	–		
Withholding	<b>19</b>	–		
Secondary taxation on companies	<b>7 477</b>	6 170	<b>840</b>	722
	<b>57 023</b>	52 352	<b>5 093</b>	4 804
<b>8.2 Foreign taxes</b>				
Current	<b>4 177</b>	1 416		
Adjustments in respect of previous year	<b>(105)</b>	125		
<b>8.3 Deferred taxation</b>				
Current	<b>15 713</b>	8 245	<b>258</b>	–
Adjustments in respect of rate change	–	59		
Adjustments in respect of previous years	<b>(800)</b>	(159)	<b>(340)</b>	–
	<b>76 008</b>	62 038	<b>5 011</b>	4 804

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

at 30 September 2001

		GROUP		COMPANY	
		2001 %	2000 %	2001 %	2000 %
8.	<b>TAXATION (CONTINUED)</b>				
8.4	<b>The reconciliation of the effective rate of taxation charge with the standard tax rate is as follows:</b>				
	Apparent rate of taxation per the accounts	34,9	35,4	4,8	8,8
	Dividend income			25,9	22,9
	Effective rate of taxation	34,9	35,4	30,7	31,7
	Adjustment to rate due to:				
	net effect of tax losses	(3,7)	(0,7)		
	adjustment in respect of previous years	0,1	(2,2)	0,1	(0,2)
	tax effect of unprovided temporary differences	(0,1)	0,2	0,2	(0,2)
	exempt income, expenses not allowable for taxation, taxation rate differentials and withholding taxes	1,9	0,7	(0,2)	–
	secondary taxation on companies	(3,4)	(3,5)	(0,8)	(1,3)
	abnormal item	0,3	0,1		
	Rate of South African normal taxation	30,0	30,0	30,0	30,0
		R'000	R'000	R'000	R'000
8.5	<b>The group's share of subsidiaries' losses available as a deduction from their future taxable incomes amounted to</b>	84 397	37 716		
	Tax savings effect:				
	before deferred taxation	28 896	13 010		
	after deferred taxation	16 501	11 551		
9.	<b>EARNINGS PER SHARE</b>				
9.1	<b>Calculation of earnings per share</b>				
	The calculation of headline earnings per share and basic earnings per share is based on 105 137 316 (2000: 103 694 078) shares being the weighted average number in issue during the year. The calculation of fully diluted basic earnings per share and fully diluted headline earnings per share is based on 108 494 018 (2000: 105 533 213) shares being the adjusted weighted average number in issue during the year.				
9.2	<b>Determination of headline earnings</b>				
	Net profit attributable to shareholders of Oceana Group Limited	138 352	112 646		
	Adjusted for:				
	Net surplus on disposal of property, plant and equipment	(4 518)	(1 164)		
	Profit on change of interest in investments	–	(262)		
	Profit on disposal of portion of an investment in a subsidiary	(416)	–		
	Amortisation of goodwill	310	–		
	Headline earnings for the year	133 728	111 220		

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

at 30 September 2001

	GROUP		COMPANY	
	2001 R'000	2000 R'000	2001 R'000	2000 R'000
<b>10. DIVIDENDS</b>				
Interim of 13,0 cents per share declared on 21 May 2001, paid 6 July 2001 (2000: 11,0 cents)	<b>13 764</b>	11 254	<b>13 764</b>	11 254
Final of 40,4 cents per share declared on 1 November 2001, payable 7 January 2002 (2000: 34,0 cents)	<b>42 846</b>	35 501	<b>42 846</b>	35 501
Additional amount in respect of previous year	<b>71</b>	241	<b>71</b>	241
	<b>56 681</b>	46 996	<b>56 681</b>	46 996
<b>11. PROPERTY, PLANT AND EQUIPMENT</b>				
<b>11.1 Land and buildings – cost</b>				
Freehold	<b>37 551</b>	30 387		
Leasehold	<b>47 759</b>	42 037		
	<b>85 310</b>	72 424		
Accumulated depreciation and amortisation	<b>33 080</b>	29 007		
	<b>52 230</b>	43 417		
The insured value of the group's buildings at 30 September 2001 amounted to R325,1 million (2000: R293,2 million)				
<b>11.2 Plant, equipment and vehicles – cost</b>	<b>248 397</b>	220 531	<b>1 662</b>	1 194
Accumulated depreciation	<b>185 788</b>	168 132	<b>914</b>	870
	<b>62 609</b>	52 399	<b>748</b>	324
<b>11.3 Fishing vessels and nets – cost</b>	<b>152 607</b>	120 029		
Accumulated depreciation	<b>72 688</b>	57 703		
	<b>79 919</b>	62 326		
<b>11.4 Totals</b>				
Cost	<b>486 314</b>	412 984	<b>1 662</b>	1 194
Accumulated depreciation and amortisation	<b>291 556</b>	254 842	<b>914</b>	870
	<b>194 758</b>	158 142	<b>748</b>	324



# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

at 30 September 2001

	Freehold land and buildings	Leasehold land and buildings	Plant, equipment and vehicles	Fishing vessels and nets	Total
	R'000	R'000	R'000	R'000	R'000
<b>11. PROPERTY, PLANT AND EQUIPMENT</b> <i>(continued)</i>					
<b>11.5 Movement of group property, plant and equipment</b>					
<b>2001</b>					
Net balance at beginning of year	20 001	23 416	52 399	62 326	158 142
Acquisitions	668	–	839	1 615	3 122
Additions	6 111	5 722	27 860	29 372	69 065
Translation differences	–	–	15	–	15
	<b>26 780</b>	<b>29 138</b>	<b>81 113</b>	<b>93 313</b>	<b>230 344</b>
Disposals	286	–	336	1 323	1 945
Depreciation	1 202	2 200	18 168	12 071	33 641
	<b>25 292</b>	<b>26 938</b>	<b>62 609</b>	<b>79 919</b>	<b>194 758</b>
<b>2000</b>					
Net balance at beginning of year	14 908	25 264	37 614	23 824	101 610
Acquisitions	6 512	–	4 593	5 289	16 394
Additions	635	331	31 193	44 360	76 519
	<b>22 055</b>	<b>25 595</b>	<b>73 400</b>	<b>73 473</b>	<b>194 523</b>
Disposals	1 282	8	1 186	1 945	4 421
Depreciation	772	2 171	19 815	9 202	31 960
	<b>20 001</b>	<b>23 416</b>	<b>52 399</b>	<b>62 326</b>	<b>158 142</b>
Details of land and buildings mentioned above are included in a register which is available on request for inspection at the registered office of the company.					
<b>12. GOODWILL AND OTHER INTANGIBLES</b>					
<b>Movement of goodwill and other intangibles</b>					
<b>2001</b>					
	Goodwill	Fishing rights	Total		
	R'000	R'000	R'000		
Acquisitions	3 107	4 920	8 027		
Additions	–	20 034	20 034		
Translation differences on cost	–	1 348	1 348		
	<b>3 107</b>	<b>26 302</b>	<b>29 409</b>		
Amortisation	310	1 532	1 842		
Translation differences on amortisation	–	117	117		
	<b>2 797</b>	<b>24 653</b>	<b>27 450</b>		

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

at 30 September 2001

	GROUP		COMPANY	
	2001 R'000	2000 R'000	2001 R'000	2000 R'000
<b>13. DEFERRED TAXATION</b>				
Balance at the beginning of the year	21 371	30 684	234	234
Reversal of excess provisions	(636)	–		
Changes during the year:				
Rate change adjustment	–	(59)		
Prior year adjustment	800	159	302	–
On acquisition of a business	–	(1 168)		
Exchange rate	(15)	–		
Charged to income	(15 713)	(8 245)	(258)	–
Balance at the end of the year	5 807	21 371	278	234
Arising as a result of:				
Deferred taxation assets				
Property, plant and equipment	(83)	(1 380)	278	–
Trademarks	4 975	7 341		
Provisions and other	11 532	16 370	–	234
Taxation losses	(170)	–		
	16 254	22 331	278	234
Deferred taxation liabilities				
Property, plant and equipment	(10 534)	(688)		
Other	(4 808)	(276)		
Taxation losses	4 895	4		
	(10 447)	(960)		
Aggregate amount of deductible temporary differences, unused taxation losses and unused taxation credits for which no deferred taxation asset is recognised in the balance sheet	51 661	33 210		
<b>14. INVESTMENTS</b>				
<b>Unlisted</b>				
CGSI Holdings (Pty) Limited				
5 shares (2000: 5 shares) at cost	62	62	62	62
The Mensah Trust Company (Pty) Limited				
113 shares (2000: nil shares) at cost	522	–		
Walvis Bay Export Processing Zone Management Company (Pty) Ltd				
22 600 shares (2000: 22 600 shares) at cost	23	23		
Other at cost	8	8		
	615	93	62	62
Loans	186	186	186	186
	801	279	248	248
Directors' valuation	801	279	248	248

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

at 30 September 2001

	GROUP		COMPANY	
	2001 R'000	2000 R'000	2001 R'000	2000 R'000
<b>15. OCEANA GROUP SHARE TRUST</b> The Oceana Group Share Trust was formed to finance the purchase of shares in the company by employees of the group. The loans are secured by pledge of the shares purchased in terms of the scheme. Interest free Interest bearing (currently 13% per annum)  Total and directors' valuation	   <b>983</b> <b>5 794</b>  <b>6 777</b>	   709 9 534  10 243	   <b>983</b> <b>5 794</b>  <b>6 777</b>	   709 9 534  10 243
<b>16. INTEREST IN SUBSIDIARIES AND JOINT VENTURES</b> Shares at cost, less amounts written off Amounts owing by  Amounts owing to  Details of subsidiary and joint venture companies are set out in a separate schedule on page 51 of this report.			   <b>76 825</b> <b>148 972</b>  <b>225 797</b> <b>114 060</b>  <b>111 737</b>	   35 581 95 743  131 324 99 486  31 838
<b>17. INVENTORIES</b> Raw materials Work in progress Finished goods Goods purchased for resale Consumable stores  Carrying amount of inventories written down to net realisable value	 <b>6 171</b> <b>2 063</b> <b>56 428</b> <b>44 989</b> <b>20 528</b>  <b>130 179</b>  <b>1 002</b>	 1 312 — 89 522 64 818 14 335  169 987  1 909		
<b>18. ACCOUNTS RECEIVABLE</b> Trade Loans and advances Other	 <b>308 941</b> <b>74 696</b> <b>54 627</b> <b>438 264</b>	 282 724 17 572 39 399 339 695	 <b>36</b> <b>835</b> <b>871</b>	 4 2 358 2 362

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

at 30 September 2001

	GROUP		COMPANY	
	2001 R'000	2000 R'000	2001 R'000	2000 R'000
<b>19. SHARE CAPITAL AND PREMIUM</b>				
<b>19.1 Ordinary shares of 0,1 cents each</b>				
Authorised share capital: 120 000 000 (2000: 120 000 000) shares	120	120	120	120
Issued share capital: 106 054 900 (2000: 104 413 900) shares	106	104	106	104
Share premium	23 606	16 691	23 606	16 691
	23 712	16 795	23 712	16 795
<b>19.2 Unissued shares</b>	<b>Number of shares</b>		<b>Number of shares</b>	
Under option in terms of company's share option scheme	7 058 000	6 436 000	7 058 000	6 436 000
at 340 cents per share exercisable until 23 March 2005	–	431 000	–	431 000
at 530 cents per share exercisable until 14 May 2006	50 000	50 000	50 000	50 000
at 515 cents per share exercisable until 23 January 2007	72 000	220 000	72 000	220 000
at 440 cents per share exercisable until 28 April 2007	874 000	1 928 000	874 000	1 928 000
at 480 cents per share exercisable until 20 July 2007	40 000	180 000	40 000	180 000
at 390 cents per share exercisable until 1 February 2009	150 000	150 000	150 000	150 000
at 350 cents per share exercisable until 1 March 2009	1 207 000	1 287 000	1 207 000	1 287 000
at 375 cents per share exercisable until 21 September 2009	1 995 000	2 190 000	1 995 000	2 190 000
at 500 cents per share exercisable until 6 January 2010	100 000	–	100 000	–
at 690 cents per share exercisable until 10 October 2010	2 570 000	–	2 570 000	–

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

at 30 September 2001

	GROUP		COMPANY	
	2001	2000	2001	2000
<b>19. SHARE CAPITAL AND PREMIUM (continued)</b>	<b>Number of shares</b>		<b>Number of shares</b>	
<b>19.2 Unissued shares (continued)</b>				
Under control of the directors for the purposes of the Oceana Group (1985) Share Purchase Scheme and the Oceana Group (1985) Share Option Scheme	4 025 180	6 288 180	4 025 180	6 288 180
Under control of the directors until the forthcoming annual general meeting	2 861 920	2 861 920	2 861 920	2 861 920
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>20. NON-DISTRIBUTABLE RESERVES</b>				
Net reserves arising on consolidation	7 657	7 657		
Statutory reserve	400	400		
Capital redemption reserve fund	60	60		
Foreign currency translation reserve	12 924	5 812		
	<b>21 041</b>	<b>13 929</b>		
<b>21. RETAINED SURPLUS</b>				
Balance at beginning of year	348 523	252 274	103 719	100 701
Change in accounting policy	1 466	30 724	89	–
	<b>349 989</b>	<b>282 998</b>	<b>103 808</b>	<b>100 701</b>
Retained surplus for the year	81 671	65 650	43 213	3 018
	<b>431 660</b>	<b>348 648</b>	<b>147 021</b>	<b>103 719</b>
Goodwill, trademarks and licences written off (net)	–	(219)		
Transfers from non-distributable reserves	–	94		
Retained surplus at end of year	<b>431 660</b>	<b>348 523</b>	<b>147 021</b>	<b>103 719</b>
<b>22. PROVISIONS</b>				
<b>Maintenance and closed season costs</b>				
Balance at beginning of year	39 961	52 683		
Net credit to operating profit	(36 352)	(2 536)		
Utilised during the year	(1 977)	(10 186)		
Reversed to retained income	(1 570)	–		
Balance at end of year	<b>62</b>	<b>39 961</b>		
<b>Post retirement medical aid</b>				
Balance at beginning of year	4 077	4 827	476	564
Net charge/(credit) to operating profit	308	–	(257)	–
Utilised during the year	(2 250)	(750)	(46)	(88)
Balance at end of year	<b>2 135</b>	<b>4 077</b>	<b>173</b>	<b>476</b>
<b>Retirement funding</b>				
Balance at beginning of year	4 032	3 609		
Net charge to operating profit	808	499		
Utilised during the year	(192)	(76)		
Balance at end of year	<b>4 648</b>	<b>4 032</b>		

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

at 30 September 2001

	GROUP		COMPANY	
	2001 R'000	2000 R'000	2001 R'000	2000 R'000
<b>22. PROVISIONS (continued)</b>				
<b>Other</b>				
Balance at beginning of year	6 700	10 879	308	516
Net credit to operating profit	(808)	(4 179)	(181)	(129)
Utilised during the year	(1 229)	–	–	(79)
Reversed to retained income	(546)	–	(127)	–
Balance at end of year	4 117	6 700	–	308
<b>Total</b>				
Balance at beginning of year	54 770	71 998	784	1 080
Net credit to operating profit	(36 044)	(6 216)	(438)	(129)
Utilised during the year	(5 648)	(11 012)	(46)	(167)
Reversed to retained income	(2 116)	–	(127)	–
Balance at end of year	10 962	54 770	173	784
<b>23. COMMITMENTS</b>				
<b>23.1 Capital commitments</b>				
Approved capital expenditure is as follows:				
Contracted	8 283	23 049	25	–
Not contracted	61 968	67 972	449	527
	70 251	91 021	474	527
Capital expenditure will be financed from the group's cash resources or borrowings.				
<b>23.2 Operating lease commitments</b>				
The future minimum lease payments under non-cancellable operating leases are as follows:				
Not later than one year	10 454	6 708	713	–
Later than one year but not later than four years	37 944	24 601	2 607	–
Later than four years	162 195	165 878	770	–
	210 593	197 187	4 090	–
<b>24. CONTINGENT LIABILITIES</b>				
Guarantee in respect of a liability of a third party	2 800	4 744		
<b>25. GROUP BORROWINGS</b>				
In terms of the company's articles of association the group's borrowings are unlimited.				

# NOTES TO THE ANNUAL FINANCIAL STATEMENTS

at 30 September 2001

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## 26. RETIREMENT BENEFITS

The policy of the group is to provide retirement benefits for all its employees through independent funds. There are four defined contribution provident funds and three defined contribution pension funds which cover the large majority of employees. There is no obligation to have these funds actuarially valued.

Seven employees are members of the defined benefit pension plan. The defined benefit pension plan which is registered and governed in terms of the Pension Funds Act, 1956, is subject to actuarial valuation at intervals of not more than three years using the projected unit credit method and was confirmed to be in a sound financial position at the date of the last valuation on 30 September 2000. The fair value of defined benefit plan assets amounted to R1,7 million at 30 September 2001 whilst the actuarial present value of promised retirement benefits totalled R1,4 million.

The total value of company contributions paid by the group during the year was R7,2 million (2000: R3,8 million). The group benefited from a contribution holiday in the current year in respect of a pension fund.

The group's liability for post retirement medical aid obligations has been provided for in full. This obligation is actuarially revalued from time to time and adjustments made as required. No further obligations will arise in future years.

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## 27. RELATED PARTIES

### **Identity of related parties with whom material transactions have occurred**

The subsidiaries and joint ventures of the group are identified on page 51. All of these entities are related parties to the company.

### **Types of related party transactions**

Oceana Group Limited has made loans and advances to certain subsidiaries and joint ventures. Details of these transactions are disclosed in the financial statements. In addition, the company provides secretarial and administration services to certain subsidiaries.

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## 28. FINANCIAL RISK MANAGEMENT

### **Currency risk**

The group is exposed to currency risk in its foreign trading operations. Foreign currency exposures are hedged within predetermined parameters.

### **Credit risk management**

Potential concentrations of credit risk consist principally of trade accounts receivable, loans and advances and short-term cash investments. Accounts receivable comprise a large, widespread customer base and group companies perform ongoing credit evaluations of the financial condition of their customers. Loans are secured by marine bonds over vessels and advances, are short-term and usually recovered within the fishing season to which they relate. The granting of credit is controlled by application and credit vetting procedures are reviewed and updated on an ongoing basis. The group only deposits short-term cash surpluses with major banks of high quality credit standing. At 30 September 2001, the group did not consider there to be any significant concentration of credit risk which had not been adequately provided for.

### **Fair values**

The carrying amounts of financial assets and liabilities approximate their fair values at year end.

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# INTEREST IN PRINCIPAL SUBSIDIARIES AND JOINT VENTURES

at 30 September 2001

NAME OF COMPANY	NATURE OF BUSINESS	ISSUED CAPITAL	EFFECTIVE HOLDING			INTEREST OF HOLDING COMPANY		
						Shares	Indebtedness	
		2001 R	2001 %	2000 %	2001 R'000	2000 R'000	2001 R'000	2000 R'000
Atlantic Sea Products Controlling (Pty) Limited – Namibia (note 3)	Horse mackerel, orange roughly, hake	4 000	44,9	–				
Blue Continent Products (Pty) Limited	Trade in frozen and other fish products	1 000	100	100	1 932	1 932	46 546	38 059
Blue Ocean Products (Pty) Limited – Namibia (note 3)	Hake	4 000	46,86	–				
Calamari Fishing (Pty) Limited	Squid, hake	4	100	100			14 955	4 282
Coast Trading Company (Pty) Limited	Rock lobster	30 024	100	100	207	207		
Commercial Cold Storage (Pty) Limited	Cold storage	100	100	100			(19 181)	(8 945)
Commercial Cold Storage Group Limited	Investment holding	1 000 000	100	100	6 985	6 985	–	3 083
Commercial Cold Storage (Duncan Dock) (Pty) Limited	Cold storage	100	70	70			–	40
Commercial Cold Storage (Namibia) (Pty) Limited – Namibia	Cold storage	10 000	100	100				
Compass Trawling (Pty) Limited (note 3)	Hake	1 000	38,58	–				
Erongo Marine Enterprises (Pty) Limited – Namibia	Horse mackerel, hake	100	100	100			755	9 481
Erongo Sea Products (Pty) Limited – Namibia	Horse mackerel, hake							
Ordinary Preference		100	100	100			68 875	24 180
		30 000	33	33	10 000	10 000		
Erundu Stevedoring (Pty) Limited – Namibia	Stevedoring	400	75	75				
Etosha Fisheries Holding Company (Pty) Limited – Namibia (Note 3)	Canned fish, fish meal/oil	9 000	45,2	45,2	10 988	10 988	–	5 535
Hicksons Fishing Company Limited	Rock lobster, property	140 000	100	100	35	35		
Ikamva Lethu Fishing (Pty) Limited	Rock lobster	2 001	50,02	50,02			(4 017)	(13 022)
Interfrost (Pty) Limited – Australia	Rock lobster	41 243 574	100	–	41 244	–		
Interpesca SA – Uruguay	Trade in frozen and other fish products	2 163	100	100				
Lamberts Bay Fishing Company Limited	Rock lobster, fish meal/oil	52 700	100	100	22	22	14 277	(34 703)
Lamberts Bay Foods (Pty) Limited	French fries	1	100	100			(20 473)	1 017
Lan Lu Limited – Taiwan	Trade in fish products, ships' agency	1	100	100				
Namaqua Fishing Company Limited	Rock lobster	100 000	100	100	25	25	303	402
North Bay Fishing Company Limited	Rock lobster	120 000	100	100	241	241	1 718	823
Oceana Fishing Division (Pty) Limited	Investment holding	1	100	100				
Pan Ocean Shipping Services (Pty) Limited – Namibia	Shipping, clearing and forwarding agents	100	100	100				
MFV Romano Paulo Vessel Company (Pty) Limited (note 3)	Rock lobster	3 000	35,0	–				
South African Sea Products Limited	Rock lobster, fish meal/oil, fish trading and retail operations	965 500	100	100	966	966	(3 979)	(17 223)
Stephan Rock Lobster Packers Limited	Rock lobster	200 000	51	51	25	25	1 543	(666)
St Helena Bay Fishing Industries Limited	Canned products, fish meal/oil and rock lobster	600 000	100	100	1 706	1 706	(48 129)	(11 820)
TRT Shipping Services (Pty) Limited	Shipping, clearing and forwarding agents	100	100	100			(6 250)	8 573
Tuna Marine (Pty) Limited	Abalone	100	100	100			(12 031)	(13 107)
Other					2 449	2 449	–	268
					76 825	35 581	34 912	(3 743)

## Notes:

1. Only principal subsidiaries and joint ventures have been included in the above list, but details of all subsidiaries and joint ventures are available upon request from the company's secretary.
2. Included in indebtedness is the company's share of final dividends proposed by subsidiaries. These amounts have been offset against intercompany balances for disclosure purposes.
3. Joint venture.



# INTEREST IN PRINCIPAL SUBSIDIARIES AND JOINT VENTURES

at 30 September 2001

	2001 %	2000 %
	<b>Effective holding</b>	
The following amounts are included in the group's financial statements as a result of the proportionate consolidation of:		
Atlantic Sea Products Controlling (Pty) Limited	<b>44,9</b>	–
Blue Ocean Products (Pty) Limited	<b>46,86</b>	–
Compass Trawling (Pty) Limited	<b>38,58</b>	–
Etosha Fisheries Holding Company (Pty) Limited	<b>45,2</b>	45,2
MFV Romano Paulo Vessel Company (Pty) Limited	<b>35,0</b>	–
	<b>R'000</b>	<b>R'000</b>
<b>INCOME STATEMENT</b>		
Revenue	<b>38 486</b>	46 058
Expenses	<b>41 691</b>	46 147
Loss before taxation	<b>(3 205)</b>	(89)
Taxation	<b>477</b>	(484)
Net (loss)/profit after taxation	<b>(3 682)</b>	395
<b>BALANCE SHEET</b>		
Property, plant and equipment	<b>55 483</b>	14 111
Investments	<b>551</b>	28
Current assets	<b>21 259</b>	18 320
Current liabilities	<b>(34 141)</b>	(24 718)
Deferred tax	<b>(734)</b>	(684)
<b>CASH FLOW STATEMENT</b>		
Operating (loss)/profit	<b>(5 308)</b>	2 463
Adjustments for non cash items	<b>3 853</b>	2 905
Working capital changes	<b>42 439</b>	365
Cash flow from operations	<b>40 984</b>	5 733
Dividends received	<b>200</b>	–
Taxation paid	<b>(712)</b>	–
Interest paid	<b>(2 002)</b>	(2 621)
Net cash flow from operating activities	<b>38 470</b>	3 112
Cash flows applied to investing activities	<b>(26 413)</b>	(242)
Net increase in cash and cash equivalents	<b>12 057</b>	2 870

# SHARE ANALYSIS

at 30 September 2001

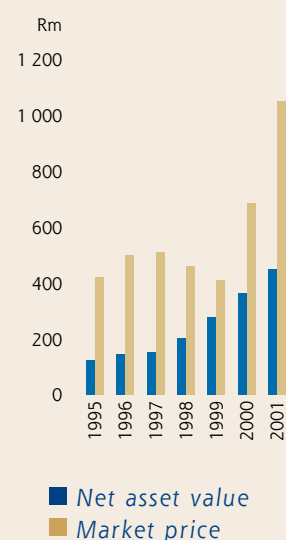
	Note	2001	2000	1999	1998	1997	1996	1995
<b>SHARE PERFORMANCE</b>								
Market price per share (cents)								
Year end		<b>1 050</b>	686	410	460	510	500	420
Highest		<b>1 100</b>	720	610	950	575	575	420
Lowest		<b>686</b>	390	330	425	420	420	250
Price earnings ratio	1	<b>8,3</b>	6,4	4,9	5,7	8,2	10,3	11,3
Number of transactions	2	<b>645</b>	671	2 463	570	514	296	199
Number of shares traded (000s)	2	<b>8 880</b>	7 273	9 828	7 937	5 630	4 521	2 436
Value of shares traded (R'000)	2	<b>82 311</b>	39 815	39 433	55 633	28 021	22 476	8 717
Volume of shares traded as a % of total issued shares	2	<b>8,4</b>	7,0	9,5	7,7	5,6	4,5	2,5
Market capitalisation (R'000)	3	<b>1 113 576</b>	716 279	422 951	472 093	516 471	502 955	413 880
JSE food index (adjusted base 1995 = 100)		<b>131,9</b>	101,5	90,5	74,0	114,0	114,0	100,0
JSE industrial index (adjusted base 1995 = 100)		<b>93,8</b>	125,9	96,7	81,5	122,0	114,3	100,0
Oceana Group Limited share price index (base 1995 = 100)		<b>250,0</b>	163,3	97,6	109,5	121,4	119,0	100,0

Notes:

1. Market price per share at year end divided by headline earnings per share.
2. Figures based on JSE transactions only.
3. Value of ordinary shares in issue at year end price.

<b>SHARE OWNERSHIP</b>				
	Number of shareholders	%	Number of shares	%
<b>Holdings</b>				
1 – 10 000 shares	2 327	93,0	2 701 970	2,5
10 001 – 50 000 shares	123	4,9	3 048 755	2,9
50 001 – 100 000 shares	31	1,2	2 232 437	2,1
Over 100 000 shares	22	0,9	98 071 738	92,5
	<b>2 503</b>	<b>100,0</b>	<b>106 054 900</b>	<b>100,0</b>
<b>Holdings in excess of 5%</b>				
Ocfish Holding Company Limited			51 954 440	49,0
Tiger Brands Limited			16 148 289	15,2
Old Mutual			7 165 001	6,8

## MARKET PREMIUM



## NOTICE OF MEETING

Notice is hereby given that the eighty fourth annual general meeting of shareholders of the company will be held in the Board Room, 16th Floor, Metlife Centre, 7 Coen Steytler Avenue, Cape Town on Thursday, 7 February 2002 at 14:00 for the following purposes:

1. To receive, consider and adopt the annual financial statements for the year ended 30 September 2001.
2. To simultaneously elect more than one director, being those offering themselves for re-election, see item 3 following.
3. In terms of the articles of association, Messrs DF Behrens, MA Brey, RM Kramer, RG Nicol and RA Williams retire by rotation but, being eligible, offer themselves for re-election.
4. Confirmation of directors' fees.
5. To place the unissued 2 861 920 shares, not set aside in respect of the Oceana Group (1985) Share Purchase Scheme and the Oceana Group (1985) Share Option Scheme, under the control of the directors, subject to the provisions of the Companies Act, 1973, until the next annual general meeting.
6. To consider and, if deemed fit, to pass with or without modification the following ordinary resolution:

That the company approves the allotment and the issue to any director in terms of the Oceana Group (1985) Share Purchase Scheme and the Oceana Group (1985) Share Option Scheme of that number of ordinary shares of 0,1 cent each as the directors, in their discretion, deem fit, subject to the limitations in terms of the Schemes, insofar as any director is nominated to purchase or exercise his options in respect of those shares.

7. To propose the following ordinary resolution:

That the board of directors of this company acting in terms of clause 6(e)(iii) of the Oceana Group (1985) Share Purchase Scheme and clause 5.3 of the Oceana Group (1985) Share Option Scheme be and is hereby authorised to amend the Rules of the aforementioned schemes as follows:

1. by the deletion in clause 1(d) of the words "Johannesburg Stock Exchange" and the substitution therefor of the words "JSE Securities Exchange South Africa";
2. by the deletion in line 4 of clause 3(a)(i) of the Oceana Group (1985) Share Purchase Scheme of the asterisk and the corresponding note at the end of clause 3 in its entirety;
3. by the deletion of clause 3(a)(ii) of the Oceana Group (1985) Share Purchase Scheme in its entirety and substitution therefor of the following clause in its stead:

"3(a)(ii) The aggregate number of unissued shares that may be reserved for the Scheme and the Option Scheme, together with the shares utilised for the preference share scheme but excluding the shares referred to in 3(a)(iii), shall not exceed 20% (twenty percent) of the company's issued share capital or such higher percentage as is authorised or permitted by the JSE and any other exchange on which the shares of the company may be listed from time to time. For the purposes of determining such aggregate number of shares, the scheme shares purchased in terms of (d) and scheme shares

## NOTICE OF MEETING

sold in terms of (d) shall be included in that aggregate both in terms of the purchase thereof and in terms of the sale thereof provided that shares purchased by the trust and sold to employees in terms of (f) shall also be included in that aggregate.”;

4. by the insertion of the following sub-clause in clause 3(a)(iii) of the Oceana Group (1985) Share Purchase Scheme:

“C. shares taken up in terms of the Scheme and the preference share scheme and the Option Scheme by an employee and subsequently disposed of and transferred, from date of transfer.”;

5. by the deletion in line 2 of clause 3.1 of the Oceana Group (1985) Share Option Scheme of the asterisk and the corresponding note at the end of clause 3 in its entirety;

6. by the deletion of clause 3.2 of the Oceana Group (1985) Share Option Scheme in its entirety and the substitution therefor of the following new clause in its stead:

“3.2 The aggregate number of unissued shares that may be reserved for the Option Scheme, together with the shares utilised in terms of the Purchase Scheme but excluding the shares referred to in 3.4, shall not exceed 20% (twenty percent) of the company’s issued share capital or such higher percentage as is authorised or permitted by the JSE and any other exchange on which the shares of the company may be listed from time to time. For the purpose of determining the aggregate number of shares for the Option Scheme, any shares which are the subject of an expired or terminated option shall cease to be counted in that aggregate.”;

7. by the insertion of the following sub-clause in clause 3.4 of the Oceana Group (1985) Share Option Scheme:

“3.4.3 shares taken up by an employee as a result of the exercise of an option and subsequently disposed of and transferred, from date of transfer.”;

8. by the deletion in clause 5.2 of the words “the Johannesburg Stock Exchange” and the substitution therefor of the words “the JSE Securities Exchange South Africa (“JSE”) and any other exchange on which the shares of the company may be listed from time to time.”

A member entitled to attend and vote at the meeting is entitled to appoint a proxy, or proxies, to attend and speak and, on a poll, vote in his stead. A proxy need not be a member of the company.

By order of the board

**JD Cole**  
Secretary

1 November 2001  
16th Floor, Metlife Centre  
Cape Town 8001

## ADMINISTRATION

### REGISTERED OFFICE AND BUSINESS ADDRESS

16th Floor, Metlife Centre  
7 Coen Steytler Avenue  
Cape Town 8001

### POSTAL ADDRESS

PO Box 7206, Roggebaai 8012

### SECRETARY

Jeremy David Cole  
(55) BCom (Hons), LL.M  
Appointed in 1984

### COMPANY REGISTRATION NUMBER

1939/001730/06

### COMPANY ISIN NUMBER

ZAE 000025284

### TRANSFER SECRETARIES

Mercantile Registrars Limited  
7th Floor, 17 Diagonal Street  
Johannesburg 2001  
PO Box 1053, Johannesburg 2000

### BANKERS

The Standard Bank of South Africa  
Limited  
FirstRand Bank Limited

### AUDITORS

Deloitte & Touche

## SHAREHOLDERS' DIARY

Financial year end  
Annual general meeting

30 September  
February

### REPORTS AND PROFIT STATEMENTS

Interim report  
Profit and dividend announcement  
Annual financial statements  
Dividends

Published May  
Published November  
Published December  
Interim declared May, paid July  
Final declared November, paid January