

Statistical and financial data

Notes	2002 R'000	2001 R'000	2000 R'000	1999 R'000	1998 R'000	1997 R'000	1996 R'000
CONSOLIDATED INCOME STATEMENTS							
Revenue	2 690 433	2 084 523	1 737 473	1 478 193	1 413 473	1 004 715	825 664
Operating profit before abnormal items	248 015	205 429	165 865	128 646	139 163	109 019	89 448
Abnormal items	14 484	2 054	383	3 477	3 235	11 323	4 224
Operating profit	262 499	207 483	166 248	132 123	142 398	120 342	93 672
Dividend income	48	206	–	288	20	10	1 073
Share of profits/(losses) of associate companies	–	–	61	(266)	360	–	–
Interest received	31 466	20 259	15 127	14 246	6 081	5 439	917
Interest paid	(4 385)	(10 223)	(6 160)	(3 385)	(5 863)	(4 634)	(5 688)
Profit before taxation	289 628	217 725	175 276	143 006	142 996	121 157	89 974
Taxation	98 786	76 008	62 038	52 398	56 156	43 761	35 578
Profit after taxation	190 842	141 717	113 238	90 608	86 840	77 396	54 396
Attributable to outside shareholders	7 423	3 365	592	1 528	1 051	1 647	1 666
Net profit attributable to shareholders of Oceana Group Limited	183 419	138 352	112 646	89 080	85 789	75 749	52 730
CONSOLIDATED BALANCE SHEETS							
Property, plant and equipment	199 055	194 758	158 142	101 610	101 973	102 704	107 390
Goodwill and other intangibles	29 183	27 450	–	–	–	–	–
Deferred taxation	17 762	16 254	22 331	30 724	–	–	–
Investments	76 029	76 531	10 522	7 125	8 130	5 714	6 893
Current assets	841 670	642 257	671 416	600 764	557 379	328 293	274 263
Total assets	1 163 699	957 250	862 411	740 223	667 482	436 711	388 546
Interest of shareholders of Oceana Group Limited	667 941	519 259	379 247	306 487	206 959	152 468	146 074
Interest of outside shareholders in subsidiaries	11 868	7 834	5 284	5 149	3 840	3 114	1 972
Interest of all shareholders	679 809	527 093	384 531	311 636	210 799	155 582	148 046
Deferred taxation	9 096	10 447	960	40	6	1 122	694
Long term loans	–	–	–	50	2 150	2 100	2 100
Current liabilities	474 794	419 710	476 920	428 497	454 527	277 907	237 706
Total equity and liabilities	1 163 699	957 250	862 411	740 223	667 482	436 711	388 546
CONSOLIDATED CASH FLOW STATEMENTS							
Cash generated from operations	299 448	244 420	202 758	154 247	140 780	96 286	100 445
Interest received from investments	31 466	20 259	15 127	14 246	6 081	5 439	917
Dividends received from investments	48	206	–	288	20	10	1 073
Interest paid	(4 385)	(10 223)	(6 160)	(3 385)	(5 863)	(4 634)	(5 688)
Taxation paid	(77 567)	(52 033)	(54 393)	(52 613)	(53 381)	(37 320)	(35 065)
Dividends paid	(64 798)	(49 881)	(38 226)	(32 054)	(28 255)	(24 472)	(20 774)
Net cash flows from operating activities	184 212	152 748	119 106	80 729	59 382	35 309	40 908
Cash flows applied to investing activities	(33 833)	(148 319)	(106 711)	(18 896)	(72 874)	(3 831)	(37 515)
Net cash inflow/(outflow) before financing activities	150 379	4 429	12 395	61 833	(13 492)	31 478	3 393
Cash flows from/(applied to) financing activities	6 887	6 917	4 888	1 052	3 646	1 085	(1 678)
Net increase/(decrease) in cash and cash equivalents	157 266	11 346	17 283	62 885	(9 846)	32 563	1 715

Statistical and financial data

	Notes	2002 R'000	2001 R'000	2000 R'000	1999 R'000	1998 R'000	1997 R'000	1996 R'000
SHARE PERFORMANCE								
Number of shares upon which earnings per share is based (000s)		106 743	105 137	103 694	102 849	102 167	101 104	99 458
Headline earnings per share (cents)		162,0	127,2	107,3	82,9	80,5	62,5	48,6
Earnings per share (cents)		171,8	131,6	108,6	86,6	84,0	74,9	53,0
Dividends per share (cents)	2	68,0	53,4	45,0	34,6	30,1	26,1	22,7
Dividend cover (times)		2,4	2,4	2,4	2,4	2,7	2,4	2,1
Net asset value per share (cents)	3	619,9	489,6	363,2	297,1	201,7	150,6	145,2
PROFITABILITY								
		%	%	%	%	%	%	%
Operating margin	4	9,2	9,9	9,6	8,7	9,8	10,9	10,8
Return on average shareholders' funds	5	29	30	32	33	46	42	36
Return on average net assets	6 & 7	43	45	45	43	61	67	62
Return on average total assets	6 & 8	27	25	23	21	26	29	28
FINANCE								
Total borrowings as a % of total shareholders' funds	9	6	10	20	17	2	4	6
Total liabilities as a % of total shareholders' funds		70	80	124	138	217	180	162
Current ratio (:1)		1,8	1,5	1,4	1,4	1,2	1,2	1,0
Number of permanent employees		1 541	1 345	1 197	1 177	1 220	1 174	1 248
Revenue per employee (R'000)		1 746	1 550	1 452	1 256	1 159	856	662
Assets per employee (R'000)	8	744	700	702	603	547	372	311
PRODUCTION VOLUMES								
Pelagic fish processed (tons)		183 376	125 201	136 048	93 742	93 247	94 498	70 177
Fish meal (tons)		43 538	29 566	29 120	20 617	19 703	21 142	16 269
Fish oil (tons)		2 262	2 400	4 378	1 152	2 108	1 607	1 331
Canned product (000s cartons)		3 070	2 574	3 053	1 839	1 801	2 274	1 508
Horse mackerel landings (tons)	10	84 599	104 739	129 987	118 451	123 354	87 742	73 224
Rock lobster processed (tons)		614	592	590	529	732	609	580
Whole cooked lobster (tons)		201	208	197	202	457	358	323
Live lobster (tons)		335	289	282	244	122	163	162
Lobster tails (tons)		17	19	17	19	39	16	22
Abalone processed (tons)		87	93	85	84	161	162	187
Canned abalone (cartons)		2 203	2 528	2 222	1 934	4 352	3 429	3 694
Live abalone (tons)		6	10	14	24	23	33	35

NOTES:

1. Prior year figures for the year ended 30 September 2001 have been restated in line with the change in accounting policy for dividends which was implemented with effect from 1 October 2001. Figures for the years prior to 2001 have not been restated.
2. Dividend declared after reporting date included.
3. Shareholders' funds divided by the total number of shares in issue.
4. Operating profit before abnormal items expressed as a percentage of revenue.
5. Headline earnings as a percentage of average shareholders' funds.
6. Profit before taxation and abnormal items (but excluding interest paid) expressed as a percentage of average net assets or average total assets.
7. Net assets comprise total assets less non-interest bearing liabilities.
8. Total assets comprise property, plant and equipment, investments and current assets.
9. Total borrowings comprise long-term loans and bank overdrafts.
10. The landings up to and including 2001 are for calendar years and those for 2002 are for the period January to September only.

Annual financial statements

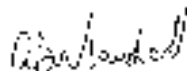
.....

The annual financial statements for the year ended 30 September 2002 which appear on page 23 and pages 34 to 59 were approved by the board of directors on 6 November 2002 and signed on its behalf by:



D M J Ncube

Chairman



A B Marshall

Chief executive officer

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.



J D 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 23 and pages 34 to 59. 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

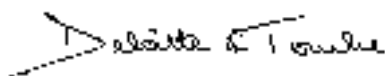
We conducted our audit in accordance with statements of South African Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- 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 2002 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

29 November 2002

Report of the directors

Your directors submit their annual report which forms part of the annual financial statements for the year ended 30 September 2002.

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, 20 and 21 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 1 687 000 shares were allotted in terms of the company's share option scheme increasing the issued share capital by R1 687. Premiums totalling R6 885 213 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 annual financial statements.

FINANCIAL RESULTS

The results for the year under review are reflected in the income statements on page 38 of this report.

DIVIDENDS

Dividends paid and declared after the reporting date are set out in note 10 to the annual financial statements.

DIRECTORS AND OFFICERS

The names of the present directors appear on page 5 and the name, business and postal address of the secretary appear on page 64.

During the year under review Messrs R M Kramer, R de H Steenkamp, A W S Visagie and T W Vundla resigned as directors and Messrs A L Hobbs, L T Langeni, R A Oktober and G A Rhodes-Harrison as alternate directors.

DIRECTORS' SHAREHOLDING

Details of shares issued to directors during the year are as below. These share issues result from the exercise of share options.

	2002	2001
	Number of shares	
D F Behrens	–	430 000
A L Hobbs	34 000	–
R M Kramer	72 000	50 000
L T Langeni	27 000	–
A B Marshall	117 000	–
R G Nicol	112 000	50 000
R de H Steenkamp	52 000	80 000
A W S Visagie	134 000	60 000
T W Vundla	69 000	50 000
	617 000	720 000

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

	2002	2001
	Number of shares	
B P Connellan	500	500
A L Hobbs	–	500
R M Kramer	–	182 000
L T Langeni	–	500
A B Marshall	117 000	–
R G Nicol	206 000	94 000
R A Oktober	–	500
R de H Steenkamp	–	500
A W S Visagie	–	60 000
	323 500	338 500

No director holds 1% or more of the issued share capital of the company and details of their individual interests in options held in terms of the Oceana Group (1985) Share Option and Share Purchase Schemes are set out on page 19.

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 separate schedules on pages 58 and 59 of this report.

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

	2002	2001
	R'000	R'000
Total profit after taxation	185 589	145 390
Profit attributable to outside shareholders	7 423	3 365
Attributable to shareholders of Oceana Group Limited	178 166	142 025
Total losses after taxation attributable to shareholders of Oceana Group Limited	5 309	12 989

HOLDING COMPANY

At year end the holding company was Ocfish Holding Company Limited, which held 48,2% 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 to the annual financial statements.

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. All inter company transactions and balances between group companies are eliminated on consolidation.

COMPARATIVE FIGURES

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

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.

Assets and liabilities of foreign subsidiaries are translated at rates of exchange approximating those ruling at year end. Income and expenditure of foreign subsidiaries are translated at the weighted average rate of exchange during the year.

Profits and losses arising on the translation of foreign subsidiaries are taken directly to the foreign currency translation reserve which is a non-distributable reserve.

GOODWILL, TRADEMARKS, FISHING RIGHTS AND QUOTAS

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.

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 value of the non-monetary assets acquired.

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 charged to expense when incurred.

The accounting policy in respect of maintenance and repairs published in 2001 allowed the option of capitalising major inspection or overhaul costs and amortising such costs over the period between major inspections or overhauls. The group has never used this option and expenses all maintenance and repair costs as incurred.

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 – 20
Nets	33

Where a permanent diminution in value of an asset or group of assets is identified, the deficit is charged to the income statement as an impairment loss.

JOINT VENTURES

Joint ventures are those entities 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

Accounting policies

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 identifiable net 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 first-in, first-out or 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 cash and cash equivalents, investments, accounts receivable, accounts payable and bank 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.

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 balance sheet liability method on the comprehensive 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.

EARNINGS PER SHARE

Headline earnings per share and diluted headline earnings per share are calculated in accordance with the requirements of AC306 whilst basic earnings per share is based on net profit attributable to ordinary shareholders.

PENSION OBLIGATIONS

The group provides for its employees a defined benefit plan and defined contribution plans, the assets of which are held in separate trustee administered pension and provident funds.

Accounting policies

These funds are governed by the Pension Funds Act, 1956 (Act 24). The plans are funded by payments from employees and group companies. In respect of the defined contribution plans, company contributions are established in terms of the rules governing those plans. In respect of the defined benefit plan, company contributions are based on the recommendations of independent actuaries.

The accounting and disclosure of retirement obligations has been prepared in accordance with the principles and methods prescribed in terms of accounting statement AC116 (Revised). This statement requires an enterprise to recognise a “liability” when an employee has provided service for employee benefits to be paid in the future, and an “expense” when the enterprise consumes the economic benefit arising from service provided by an employee in exchange for employee benefits.

The portion of actuarial gains and losses recognised is the excess over the greater of:

- a) 10% of the present value of the defined benefit obligations at the end of the previous reporting period (before deducting plan assets); and

- b) 10% of the fair value of any plan assets at the same date, divided by the expected average remaining working lives of the employees participating in the scheme.

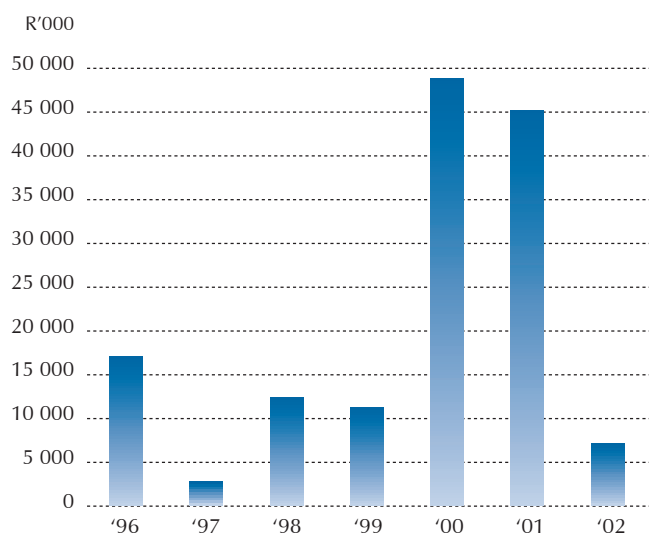
In respect of the defined benefit plan, all actuarial gains and losses are spread over the average remaining service lives of employees.

In respect of the defined contribution plans, the pension accounting costs are assessed as the actual contributions paid by the group in terms of the relevant funds' rules.

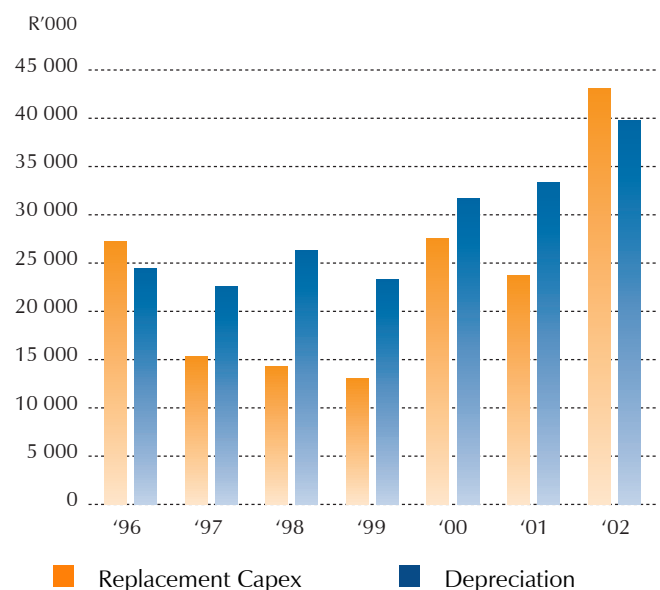
POST-RETIREMENT MEDICAL OBLIGATIONS

The group provides post-retirement health care benefits to certain of its retirees. This practice has been discontinued and this benefit is no longer offered to current employees or new employees. The potential liability in respect of eligible retirees has been provided for in the financial statements using the projected unit credit method. Valuations of these obligations are carried out every two years by independent qualified actuaries.

EXPANSION CAPEX



REPLACEMENT CAPEX/DEPRECIATION



Income statements

for the year ended 30 September 2002

		GROUP		COMPANY	
	Note	2002 R'000	2001 R'000	2002 R'000	2001 R'000
Revenue	2	2 690 433	2 084 523	16 018	13 761
		2 442 418	1 879 094	15 719	13 409
Cost of sales		1 985 983	1 515 531		
Sales and distribution expenditure		185 461	130 958		
Marketing expenditure		15 061	17 867		
Overhead expenditure		255 913	214 738	15 719	13 409
Operating profit before abnormal items	3	248 015	205 429	299	352
Abnormal items	5	14 484	2 054		
Operating profit		262 499	207 483	299	352
Dividend income	6	48	206	75 041	90 584
Interest received	7	31 466	20 259	35 225	23 942
Interest paid	7	(4 385)	(10 223)	(18 902)	(9 973)
Profit before taxation		289 628	217 725	91 663	104 905
Taxation	8	98 786	76 008	6 086	5 011
Profit after taxation		190 842	141 717	85 577	99 894
Attributable to outside shareholders in subsidiaries		7 423	3 365		
Net profit attributable to shareholders of Oceana Group Limited		183 419	138 352	85 577	99 894
Headline earnings	9	172 894	133 728		
Earnings per share (cents)	9				
– Basic		171,8	131,6		
– Diluted		166,5	127,8		
Headline earnings per share (cents)	9				
– Basic		162,0	127,2		
– Diluted		157,0	123,5		
Dividends per share (cents)	10	68,0	53,4		
– Interim paid		16,5	13,0		
– Final declared after reporting date		51,5	40,4		
Headline dividend cover (times)		2,4	2,4		

Balance sheets

at 30 September 2002

		GROUP		COMPANY	
	Note	2002 R'000	2001 R'000	2002 R'000	2001 R'000
ASSETS					
Non-current assets		322 029	314 993	30 510	119 788
Property, plant and equipment	11	199 055	194 758	1 463	748
Goodwill and other intangibles	12	29 183	27 450		
Deferred taxation	13	17 762	16 254	394	278
Investments	14	67 986	69 754	248	248
Oceana Group Share Trust	15	8 043	6 777	8 043	6 777
Interest in subsidiaries and joint ventures	16			20 362	111 737
Current assets		841 670	642 257	225 655	103 511
Inventories	17	161 017	130 179		
Accounts receivable	18	387 334	369 311	2 687	871
Cash and cash equivalents		293 319	142 767	222 968	102 640
Total assets		1 163 699	957 250	256 165	223 299
EQUITY AND LIABILITIES					
Capital and reserves		667 941	519 259	245 446	213 579
Share capital and premium	19	30 599	23 712	30 599	23 712
Non-distributable reserves	20	40 044	21 041		
Retained surplus	21	597 298	474 506	214 847	189 867
Interest of outside shareholders		11 868	7 834		
Non-current liabilities		9 096	10 447		
Deferred taxation	13	9 096	10 447		
Current liabilities		474 794	419 710	10 719	9 720
Bank overdrafts		43 471	52 218		
Accounts payable		370 714	330 880	9 053	8 908
Provisions	22	11 199	10 962	51	173
Taxation		49 410	25 650	1 615	639
Total equity and liabilities		1 163 699	957 250	256 165	223 299

Statements of changes in equity

for the year ended 30 September 2002

	Note	Share capital and premium R'000	Non-distri- butable reserves R'000	Distri- butable reserves R'000	Total R'000
GROUP					
Balance at 30 September 2000		16 795	13 929	348 523	379 247
Adjustment to opening balance	1.1/1.4			36 967	36 967
Restated balance at 30 September 2000		16 795	13 929	385 490	416 214
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	10			(49 336)	(49 336)
Balance at 30 September 2001		23 712	21 041	474 506	519 259
Shares issued		6 887			6 887
Transfer to capital redemption reserve fund			30	(30)	–
Movement on foreign currency translation reserve			18 973		18 973
Net profit for the year				183 419	183 419
Dividends	10			(60 597)	(60 597)
Balance at 30 September 2002		30 599	40 044	597 298	667 941
COMPANY					
Balance at 30 September 2000		16 795		103 719	120 514
Adjustment to opening balance	1.1/1.4			35 590	35 590
Restated balance at 30 September 2000		16 795		139 309	156 104
Shares issued		6 917			6 917
Net profit for the year				99 894	99 894
Dividends	10			(49 336)	(49 336)
Balance at 30 September 2001		23 712		189 867	213 579
Shares issued		6 887			6 887
Net profit for the year				85 577	85 577
Dividends	10			(60 597)	(60 597)
Balance at 30 September 2002		30 599		214 847	245 446

Cash flow statements

for the year ended 30 September 2002

		GROUP		COMPANY	
	Note	2002 R'000	2001 R'000	2002 R'000	2001 R'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Operating profit		248 015	205 429	299	352
Adjustment for non cash items		48 475	33 107	571	(307)
Depreciation, amortisation and other non cash items		47 887	32 467	571	(307)
Research and development expenditure		588	640		
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		296 490	238 536	870	45
Working capital changes	A	2 958	5 884	(1 793)	2 622
CASH GENERATED FROM/(APPLIED TO) OPERATIONS		299 448	244 420	(923)	2 667
Interest received from investments		31 466	20 259	35 225	23 942
Dividends received from investments		48	206	75 041	90 584
Interest paid		(4 385)	(10 223)	(18 902)	(9 973)
Taxation paid	B	(77 567)	(52 033)	(5 226)	(5 033)
Dividends paid	C	(64 798)	(49 881)	(60 597)	(49 336)
NET CASH FLOWS FROM OPERATING ACTIVITIES		184 212	152 748	24 618	52 851
CASH FLOWS (APPLIED TO)/GENERATED FROM INVESTING ACTIVITIES		(33 833)	(148 319)	88 823	(77 034)
Replacement capital expenditure		(43 495)	(23 907)	(1 288)	(637)
Expansion capital expenditure		(7 211)	(45 158)		
Acquisition of shares in a subsidiary	D			–	(41 244)
Acquisition of businesses	D	–	–		
Fishing rights acquired		(641)	(20 034)		
Research and development expenditure		(588)	(640)		
Proceeds on disposal of property, plant and equipment		17 362	6 907	2	37
Proceeds on disposal of investments		760	1	10 000	–
Net movement on loans and advances		(20)	(65 488)	80 109	(35 190)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING ACTIVITIES		150 379	4 429	113 441	(24 183)
CASH FLOWS FROM FINANCING ACTIVITIES		6 887	6 917	6 887	6 917
Proceeds from issue of share capital		6 887	6 917	6 887	6 917
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		157 266	11 346	120 328	(17 266)
Borrowings resulting from acquisition of business	D/E	(6)	(8 911)		
Cash and cash equivalents in disposal	E	–	(34)		
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	F	90 549	85 350	102 640	119 906
Effect of exchange rate changes		2 039	2 798		
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	F	249 848	90 549	222 968	102 640

Notes to the cash flow statements

for the year ended 30 September 2002

		GROUP		COMPANY	
		2002 R'000	2001 R'000	2002 R'000	2001 R'000
A.	Working capital changes are calculated as follows:				
	Inventories	(29 789)	40 252		
	Accounts receivable	(2 978)	(26 686)	(1 816)	1 491
	Accounts payable	35 725	(7 682)	23	1 131
	TOTAL WORKING CAPITAL CHANGES	2 958	5 884	(1 793)	2 622
B.	Taxation paid is reconciled to the amounts disclosed in the income statement as follows:				
	Amounts unpaid at beginning of year, net	(24 916)	(14 800)	(639)	(579)
	Per the income statement (Note 8)	(100 509)	(61 067)	(6 202)	(5 093)
	Abnormal items (Note 8)	(1 143)	(28)		
	Adjustment in respect of business acquired	–	(1 054)		
	Amounts unpaid at end of year, net	49 001	24 916	1 615	639
	CASH AMOUNTS PAID	(77 567)	(52 033)	(5 226)	(5 033)
C.	Dividends paid are reconciled as follows:				
	Per the statements of changes in equity (Note 10)	(60 597)	(49 336)	(60 597)	(49 336)
	Dividends accrued to outside shareholders	(4 201)	(545)		
	CASH AMOUNTS PAID	(64 798)	(49 881)	(60 597)	(49 336)
D.	Acquisition of businesses				
	Acquisition of shares in a subsidiary	–		–	(41 244)
	Property, plant and equipment	–	9 460		
	Goodwill and other intangibles	–	8 027		
	Investments	–	522		
	Inventories	–	429		
	Accounts receivable	–	121		
	Accounts payable	–	(8 594)		
	Taxation	–	(1 054)		
	Net borrowings	–	(8 911)		
	CASH MOVEMENT ON ACQUISITION	–	–	–	(41 244)
E.	Disposal of portion of investment in a subsidiary				
	Outside shareholders	–	1 289		
	Property, plant and equipment	1 775	6 338		
	Inventories	36	64		
	Accounts receivable	481	115		
	Cash and cash equivalents	6	–		
	Accounts payable and provisions	(444)	(8 256)		
	Short-term borrowings	(2 680)	–		
	Surplus on disposal	826	416		
	CASH MOVEMENT ON DISPOSAL	–	(34)		
F.	Cash and cash equivalents				
	Cash at bank	293 319	142 767	222 968	102 640
	Bank overdrafts	(43 471)	(52 218)		
		249 848	90 549	222 968	102 640

Notes to the annual financial statements

at 30 September 2002

		GROUP		COMPANY	
		2002 R'000	2001 R'000	2002 R'000	2001 R'000
1.	CHANGE IN ACCOUNTING POLICIES				
1.1	The company has changed its accounting policy for providing for dividends. Dividends are now recognised only when they have been declared. Prior period financial statements have been restated accordingly. Presentation of dividends per share is not affected by this change in policy. Adjustment to prior year opening retained income	–	35 501	–	35 501
1.2	The group has adopted AC116 (Revised) relating to the disclosure of employee benefits. There was no effect on the results or balance sheet of the group as a result of this change in policy.				
1.3	In the prior year the company 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		
1.4	Since the prior year, provisions have been accounted for in accordance with AC130. This 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 Reversal of deferred tax on excess provisions Attributable to outside shareholders	– – –	2 116 (636) (14)	– – –	127 (38)
	Adjustment to opening retained income	–	1 466	–	89

Notes to the annual financial statements

at 30 September 2002

	GROUP		COMPANY	
	2002 R'000	2001 R'000	2002 R'000	2001 R'000
2. REVENUE				
The main categories of revenue are set out below:				
Oceana Brands	813 517	801 677		
Erongo Group	863 147	436 739		
Blue Continent Group	900 548	737 769		
Commercial Cold Storage and Logistics	113 221	108 338		
Other			16 018	13 761
	2 690 433	2 084 523	16 018	13 761
3. OPERATING PROFIT IS ARRIVED AT AFTER TAKING INTO ACCOUNT THE FOLLOWING ITEMS				
Income				
Directors' fees from a joint venture			22	39
Management fees from subsidiaries			16 018	13 761
Foreign exchange profit	1 158	10 988		
Net (loss)/surplus on disposal of property, plant and equipment	(2)	3 324		
Expenditure				
Auditors' remuneration				
fees for audit – current year	2 828	2 191	210	147
– prior year underprovision	391	337	32	64
expenses	83	35	10	8
other services	536	796	91	220
	3 838	3 359	343	439
Cost of inventories utilised	1 985 983	1 515 531		
Depreciation of property, plant and equipment				
buildings	3 418	3 403		
plant, equipment and vehicles	21 102	17 728	571	176
fishing vessels and nets	15 309	12 510		
	39 829	33 641	571	176
Amortisation of goodwill and other intangibles	5 203	1 842		
Impairment loss recognised on plant and equipment	2 802	–		
Administrative, technical and secretarial fees	1 849	2 365	251	489
Management fees paid to related parties				
Tiger Food Brands Limited	366	342	366	342
Real Africa Holdings Limited	183	171	183	171
Movement on liability provisions	6 233	(43 808)	–	(438)
Operating lease expenses				
properties	8 744	6 513	713	278
equipment and vehicles	653	518		
Provision for post retirement medical aid	–	308		
Research and development expenditure	588	640		
Employment costs	248 477	203 427		

Notes to the annual financial statements

at 30 September 2002

	GROUP		COMPANY	
	2002 R'000	2001 R'000	2002 R'000	2001 R'000
4. DIRECTORS' EMOLUMENTS				
Executive directors				
Managerial and other services			9 332	11 505
Gains on exercise of share options			1 775	1 618
			11 107	13 123
Paid by:				
Holding company			4 983	4 906
Subsidiary companies			6 124	8 217
			11 107	13 123
Non-executive directors				
Paid by holding company				
Services as directors			380	348
Detailed information appears in the remuneration report on page 18.				
5. ABNORMAL ITEMS				
Net surplus on disposal of property, plant and equipment	13 419	1 638		
Profit on disposal of portion of an investment in a subsidiary	826	416		
Profit on disposal of an investment	239	–		
	14 484	2 054		
6. DIVIDEND INCOME				
Subsidiaries			75 041	90 578
Unlisted investments	48	206	–	6
	48	206	75 041	90 584
7. INTEREST RECEIVED				
Received				
Subsidiaries			22 437	16 401
Joint ventures	9 165	4 391	71	40
Unlisted investments	22 301	15 868	12 717	7 501
	31 466	20 259	35 225	23 942
Paid				
Subsidiaries			(16 528)	(9 089)
Joint ventures	(366)	(42)	(640)	(77)
Other	(4 019)	(10 181)	(1 734)	(807)
	(4 385)	(10 223)	(18 902)	(9 973)

Notes to the annual financial statements

at 30 September 2002

	GROUP		COMPANY	
	2002 R'000	2001 R'000	2002 R'000	2001 R'000
8. TAXATION				
8.1 South African normal taxation				
Current	72 125	49 223	5 192	4 298
Adjustments in respect of previous year	4 063	276	427	(45)
Abnormal item	1 143	28		
Withholding	–	19		
Secondary taxation on companies	7 745	7 477	583	840
	85 076	57 023	6 202	5 093
8.2 Foreign taxes				
Current	15 424	4 177		
Adjustments in respect of previous year	219	(105)		
Withholding	933	–		
8.3 South African deferred taxation				
Current	2 314	10 425	54	258
Adjustments in respect of previous years	(3 466)	(1 486)	(170)	(340)
8.4 Foreign deferred taxation				
Current	(1 137)	5 288		
Adjustments in respect of previous years	(577)	686		
Taxation charge per income statement	98 786	76 008	6 086	5 011
8.5 The reconciliation of the effective rate of taxation charge with the standard tax rate is as follows:				
	%	%	%	%
Apparent rate of taxation per the accounts	34,1	34,9	6,6	4,8
Dividend income			24,6	25,9
Effective rate of taxation	34,1	34,9	31,2	30,7
Adjustment to rate due to:				
net effect of tax losses	(1,2)	(3,7)		
adjustment in respect of previous years	0,2	0,1	(0,3)	0,1
tax effect of unprovided temporary differences	0,2	(0,1)	0,2	0,2
exempt income, expenses not allowable for taxation, taxation rate differentials and withholding taxes	(1,7)	1,9	(0,5)	(0,2)
secondary taxation on companies	(2,7)	(3,4)	(0,6)	(0,8)
abnormal item	1,1	0,3		
Rate of South African normal taxation	30,0	30,0	30,0	30,0
	R'000	R'000		
8.6 The group's share of tax losses in subsidiaries and joint venture companies available as a deduction from their future taxable incomes amounted to:				
South African	14 435	12 851		
Foreign	76 255	71 546		
Total	90 690	84 397		
Tax savings effect:				
before deferred taxation	30 996	28 896		
after deferred taxation	18 749	16 501		

Notes to the annual financial statements

at 30 September 2002

	GROUP		COMPANY	
	2002 R'000	2001 R'000	2002 R'000	2001 R'000
9. EARNINGS PER SHARE				
9.1 Calculation of earnings per share				
The calculation of basic earnings per share and basic headline earnings per share is based on 106 743 095 (2001: 105 137 316) shares being the weighted average number in issue during the year. The calculation of fully diluted earnings per share and fully diluted headline earnings per share is based on 110 141 125 (2001: 108 494 018) shares being the adjusted weighted average number in issue during the year.				
9.2 Determination of headline earnings				
Net profit attributable to shareholders of Oceana Group Limited	183 419	138 352		
Adjusted for:				
Net surplus on disposal of property, plant and equipment	(14 078)	(4 518)		
Impairment loss on plant and equipment	1 821	–		
Profit on change of interest in investments	(1 065)	(416)		
Amortisation of goodwill	2 797	310		
Headline earnings for the year	172 894	133 728		
10. DIVIDENDS				
Final of 40,4 cents per share declared on 1 November 2001, paid 7 January 2002 (2000: 34,0 cents)	42 882	35 572	42 882	35 572
Interim of 16,5 cents per share declared on 9 May 2002, paid 8 July 2002 (2001: 13,0 cents)	17 715	13 764	17 715	13 764
	60 597	49 336	60 597	49 336
Final of 51,5 cents per share declared after reporting date	55 745	42 882	55 745	42 882

Notes to the annual financial statements

at 30 September 2002

	GROUP		COMPANY	
	2002 R'000	2001 R'000	2002 R'000	2001 R'000
11. PROPERTY, PLANT AND EQUIPMENT				
11.1 Land and buildings – cost				
Freehold	36 417	37 551		
Leasehold	49 675	47 759		
	86 092	85 310		
Accumulated depreciation and amortisation	34 741	33 080		
	51 351	52 230		
11.2 Plant, equipment and vehicles – cost	277 925	248 397	2 899	1 662
Accumulated depreciation	205 313	185 788	1 436	914
Impairment loss	2 802	–		
	69 810	62 609	1 463	748
11.3 Fishing vessels and nets – cost	154 370	152 607		
Accumulated depreciation	76 476	72 688		
	77 894	79 919		
11.4 Totals				
Cost	518 387	486 314	2 899	1 662
Accumulated depreciation and amortisation	316 530	291 556	1 436	914
Impairment loss	2 802	–		
	199 055	194 758	1 463	748

The insured value of the group's property, plant and equipment at 30 September 2002 amounted to R1 234,7 million (2001: R1 122,9 million)

	Freehold land and buildings R'000	Leasehold land and buildings R'000	Plant, equipment and vehicles R'000	Fishing vessels and nets R'000	Total R'000
11.5 Movement of group property, plant and equipment 2002					
Net balance at beginning of year	25 292	26 938	62 609	79 919	194 758
Additions	582	2 247	33 491	14 386	50 706
Translation differences	15	–	520	754	1 289
	25 889	29 185	96 620	95 059	246 753
Disposals	–	305	2 612	1 784	4 701
Depreciation	1 084	2 334	21 102	15 309	39 829
Impairment loss	–	–	2 802	–	2 802
Translation differences	–	–	294	72	366
	24 805	26 546	69 810	77 894	199 055

Notes to the annual financial statements

at 30 September 2002

	Freehold land and buildings R'000	Leasehold land and buildings R'000	Plant, equipment and vehicles R'000	Fishing vessels and nets R'000	Total R'000
11.5 Movement of group property, plant and equipment (continued)					
2001					
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
	26 780	29 138	81 113	93 313	230 344
Disposals	286	–	336	1 323	1 945
Depreciation	1 202	2 200	18 168	12 071	33 641
	25 292	26 938	62 609	79 919	194 758

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.

12. GOODWILL AND OTHER INTANGIBLES

Movement of goodwill and other intangibles

2002

	Goodwill R'000	Fishing rights R'000	Total R'000
Net balance at beginning of year	2 797	24 653	27 450
Additions	–	641	641
Translation differences on cost	–	6 533	6 533
	2 797	31 827	34 624
Amortisation	2 797	2 406	5 203
Translation differences on amortisation	–	238	238
	–	29 183	29 183

Goodwill has been fully amortised in the current year due to losses incurred in the underlying joint venture company.

2001

Acquisitions	3 107	4 920	8 027
Additions	–	20 034	20 034
Translation differences on cost	–	1 348	1 348
	3 107	26 302	29 409
Amortisation	310	1 532	1 842
Translation differences on amortisation	–	117	117
	2 797	24 653	27 450

Notes to the annual financial statements

at 30 September 2002

	GROUP		COMPANY	
	2002 R'000	2001 R'000	2002 R'000	2001 R'000
13. DEFERRED TAXATION				
Balance at the beginning of the year	5 807	21 371	278	234
Reversal of excess provisions	–	(636)		
Changes during the year:				
Prior year adjustment	4 043	800	170	302
Exchange rate	(7)	(15)		
Charged to income	(1 177)	(15 713)	(54)	(258)
Balance at the end of the year	8 666	5 807	394	278
Arising as a result of:				
Deferred taxation assets				
Property, plant and equipment	(2 882)	(83)	64	–
Trademarks	7 071	4 975		
Provisions and other	13 573	11 532	330	278
Taxation losses	–	(170)		
Total per balance sheet	17 762	16 254	394	278
Deferred taxation liabilities				
Property, plant and equipment	(17 796)	(10 534)		
Other	(3 547)	(4 808)		
Taxation losses	12 247	4 895		
Total per balance sheet	(9 096)	(10 447)		
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 relates to subsidiaries and joint ventures	53 674	51 661		

Notes to the annual financial statements

at 30 September 2002

	GROUP		COMPANY	
	2002 R'000	2001 R'000	2002 R'000	2001 R'000
14. INVESTMENTS				
Unlisted				
CGSI Holdings (Pty) Limited				
5 shares (2001: 5 shares) at cost	62	62	62	62
The Mensah Trust Company (Pty) Limited				
Nil shares (2001: 113 shares) at cost	–	522		
Walvis Bay Export Processing Zone Management Company (Pty) Ltd				
22 600 shares (2001: 22 600 shares) at cost	23	23		
Other at cost	8	8		
	93	615	62	62
Loans	67 893	69 139	186	186
	67 986	69 754	248	248
Directors' valuation	67 986	69 754	248	248
15. OCEANA GROUP SHARE TRUST				
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	281	983	281	983
Interest bearing (currently 13% per annum)	7 762	5 794	7 762	5 794
Total and directors' valuation	8 043	6 777	8 043	6 777
16. INTEREST IN SUBSIDIARIES AND JOINT VENTURES				
Shares at cost, less amounts written off			66 825	76 825
Amounts owing by			203 398	148 972
			270 223	225 797
Amounts owing to			249 861	114 060
			20 362	111 737
Details of subsidiary and joint venture companies are set out in separate schedules on pages 58 and 59 of this report.				
17. INVENTORIES				
Raw materials	10 024	6 171		
Work in progress	931	2 063		
Finished goods	136 557	101 417		
Consumable stores	13 505	20 528		
	161 017	130 179		
Carrying amount of inventories written down to net realisable value	3 156	1 002		

Notes to the annual financial statements

at 30 September 2002

	GROUP		COMPANY	
	2002 R'000	2001 R'000	2002 R'000	2001 R'000
18. ACCOUNTS RECEIVABLE				
Trade	306 871	308 941	12	36
Loans and advances	14 603	5 743		
Other	65 860	54 627	2 675	835
	387 334	369 311	2 687	871
19. SHARE CAPITAL AND PREMIUM				
19.1 Ordinary shares of 0,1 cents each				
Authorised share capital:				
120 000 000 (2001: 120 000 000) shares	120	120	120	120
Issued share capital:				
107 741 900 (2001: 106 054 900) shares	108	106	108	106
Share premium	30 491	23 606	30 491	23 606
	30 599	23 712	30 599	23 712
19.2 Unissued shares				
	Number of shares		Number of shares	
Under option in terms of company's share option scheme	7 256 000	7 058 000	7 256 000	7 058 000
at 530 cents per share exercisable until 14 May 2006	–	50 000	–	50 000
at 515 cents per share exercisable until 23 January 2007	–	72 000	–	72 000
at 440 cents per share exercisable until 28 April 2007	150 000	874 000	150 000	874 000
at 480 cents per share exercisable until 20 July 2007	–	40 000	–	40 000
at 390 cents per share exercisable until 1 February 2009	100 000	150 000	100 000	150 000
at 350 cents per share exercisable until 1 March 2009	736 000	1 207 000	736 000	1 207 000
at 375 cents per share exercisable until 21 September 2009	1 544 000	1 995 000	1 544 000	1 995 000
at 500 cents per share exercisable until 6 January 2010	100 000	100 000	100 000	100 000
at 690 cents per share exercisable until 10 October 2010	2 510 000	2 570 000	2 510 000	2 570 000
at 1 105 cents per share exercisable until 23 October 2011	2 061 000	–	2 061 000	–
at 1 440 cents per share exercisable until 1 February 2012	55 000	–	55 000	–
Under control of the directors for the purposes of the Oceana Group (1985) Share Purchase Scheme and the Oceana Group (1985) Share Option Scheme	5 002 100	4 025 180	5 002 100	4 025 180
Under control of the directors until the forthcoming annual general meeting	–	2 861 920	–	2 861 920

Notes to the annual financial statements

at 30 September 2002

	GROUP		COMPANY	
	2002 R'000	2001 R'000	2002 R'000	2001 R'000
20. NON-DISTRIBUTABLE RESERVES				
Net reserves arising on consolidation	7 657	7 657		
Statutory reserve	400	400		
Capital redemption reserve fund	90	60		
Foreign currency translation reserve	31 897	12 924		
	40 044	21 041		
21. RETAINED SURPLUS				
Balance at beginning of year	474 506	348 523	189 867	103 719
Change in accounting policy	–	36 967	–	35 590
	474 506	385 490	189 867	139 309
Retained surplus for the year	122 822	89 016	24 980	50 558
	597 328	474 506	214 847	189 867
Transfers to non-distributable reserves	30	–		
Retained surplus at end of year	597 298	474 506	214 847	189 867
22. PROVISIONS				
Maintenance and closed season costs				
Balance at beginning of year	62	39 961		
Net charge/(credit) to operating profit	3 552	(36 352)		
Utilised during the year	(3 512)	(1 977)		
Reversed to retained income	–	(1 570)		
Balance at end of year	102	62		
Post retirement medical aid				
Balance at beginning of year	2 135	4 077	173	476
Net charge/(credit) to operating profit	–	308	–	(257)
Utilised during the year	(1 500)	(2 250)	(122)	(46)
Balance at end of year	635	2 135	51	173
Retirement funding				
Balance at beginning of year	4 648	4 032		
Net charge to operating profit	588	808		
Utilised during the year	(92)	(192)		
Balance at end of year	5 144	4 648		

Notes to the annual financial statements

at 30 September 2002

	GROUP		COMPANY	
	2002 R'000	2001 R'000	2002 R'000	2001 R'000
22. PROVISIONS (continued)				
Other				
Balance at beginning of year	4 117	6 700	–	308
Net charge/(credit) to operating profit	2 093	(808)	–	(181)
Utilised during the year	(892)	(1 229)	–	–
Reversed to retained income	–	(546)	–	(127)
Balance at end of year	5 318	4 117	–	–
Total				
Balance at beginning of year	10 962	54 770	173	784
Net charge/(credit) to operating profit	6 233	(36 044)	–	(438)
Utilised during the year	(5 996)	(5 648)	(122)	(46)
Reversed to retained income	–	(2 116)	–	(127)
Balance at end of year	11 199	10 962	51	173
23. COMMITMENTS				
23.1 Capital commitments				
Approved capital expenditure is as follows:				
Contracted	35 905	8 283	–	25
Not contracted	130 635	61 968	202	449
	166 540	70 251	202	474
Capital expenditure will be financed from the group's cash resources or borrowings.				
23.2 Operating lease commitments				
The future minimum lease payments under non-cancellable operating leases are as follows:				
Not later than one year	9 152	10 454	786	713
Later than one year but not later than five years	35 918	53 993	2 591	3 377
Later than five years	132 054	146 146	–	–
	177 124	210 593	3 377	4 090
24. CONTINGENT LIABILITIES				
Guarantee in respect of a liability of a third party	1 600	2 800		
Disputed claim from a third party	308	–		
	1 908	2 800		
25. NUMBER OF EMPLOYEES				
Permanent employees at year end	1 541	1 345	24	25

Notes to the annual financial statements

at 30 September 2002

26. GROUP BORROWINGS

In terms of the company's articles of association the group's borrowings are unlimited.

27. RETIREMENT BENEFITS

The group provides a total of 8 retirement plans that cover all employees and are funded. The plans consist of 1 defined benefit pension fund, 2 defined contribution pension funds and 4 defined contribution provident funds. There is a further 1 defined contribution retirement fund into which the group contributes. The assets of the funds are held in independent trustee administered funds, administered in terms of the Pension Funds Act of 1956 (Act 24), as amended. In terms of the Pension Funds Act, certain of the retirement funds are exempt from actuarial valuation. Those funds not exempt from valuation must, in terms of the Pension Funds Act, be valued at least every three years. For purposes of production of these disclosures, and in order to comply with the requirements of AC116 (Revised), valuations have been performed by independent actuaries, using the projected unit credit method. At the date of the last valuation on 30 September 2000, the fund was confirmed to be in a sound financial position. Where updated valuations were not possible due to the limited availability of complete data, roll forward projections of prior completed actuarial valuations were used, taking account of actual subsequent experience.

	GROUP	
	2002 R'000	2001 R'000
Balance at the end of the year		
Present value of funded defined benefit obligations	1 718	1 510
Fair value of plan assets in respect of defined benefit obligations	(10 431)	(9 388)
Funded status of defined benefit plans	(8 713)	(7 878)
Unrecognised actuarial gains/(losses)	—	—
Asset not recognised at balance sheet date	8 713	7 878
Liability at balance sheet date	—	—

In respect of those retirement arrangements which disclosed a positive funded status, no assets have been recognised by the group. The disclosure of the funded status is for accounting purposes only, and does not necessarily indicate any assets available to the group. Only once a surplus apportionment exercise is completed and approved by the Registrar of Pension Funds in terms of the provisions of the Pension Funds Second Amendment Act, 2001, will it be appropriate for the group to recognise any assets in respect of the retirement funds, to the extent that the group is apportioned such assets. In addition, the impact of the Amendment Act insofar as minimum individual reserves are concerned, has not been taken account of.

	GROUP
	2002 R'000
Movement in the liability recognised in the balance sheet:	
Opening balance as previously stated	—
Effect of adopting AC116 (Revised)	—
Unrecognised actuarial gains	—
Asset not recognised at start of period	7 878
Balance at the beginning of the year	7 878

Notes to the annual financial statements

at 30 September 2002

	GROUP
	2002 R'000
27. RETIREMENT BENEFITS (continued)	
Contributions paid	12 811
Other expenses included in staff costs	(20 689)
Current service cost	12 788
Interest cost	177
Expected return on plan assets	(989)
Net actuarial gains recognised during the year	—
Asset not recognised at balance sheet date	8 713
Balance at the end of the year	—
The principal actuarial assumptions used for accounting purposes were:	
Discount rate	11,50%
Expected return on plan assets	10,50%
Future salary increases	8,00%
Future pension increases	5,19%

POST EMPLOYMENT MEDICAL OBLIGATIONS

The company operates a post employment medical benefit scheme that covers certain of its retirees. This benefit is no longer offered by the company to current employees or new employees. The liabilities are valued every two years using the projected unit credit method. The latest full actuarial valuation was performed as at 31 July 2001.

	GROUP	
	2002 R'000	2001 R'000
Balance at the end of the year		
Present value of obligations	7 842	8 135
Fair value of plan assets	6 337	5 130
Liability at balance sheet date	1 505	3 005
Movement in the liability recognised in the balance sheet:		
Balance at the beginning of the year	2 135	4 077
Contributions paid	(1 500)	(2 250)
Past service cost recognised	0	308
Balance at the end of the year	635	2 135
Unprovided liability at balance sheet date	870	870
This amount will be provided for in the 2003 financial year.		
The principal actuarial assumptions used for accounting purposes were:		
Discount rate	10,50%	10,50%
Medical inflation	8,50%	8,50%

Notes to the annual financial statements

at 30 September 2002

28. RELATED PARTIES

Oceana Group Limited has made loans and advances to certain subsidiaries and joint ventures which are identified on page 58. Interest received on these loans is disclosed in note 7. In addition the company provides secretarial and administrative services to certain subsidiaries and joint ventures as disclosed in note 3.

Management fees paid to Tiger Food Brands Limited and Real Africa Holdings Limited are detailed in note 3.

The board of directors of Oceana Group Limited has given general declarations of interest in terms of section 234 of the Companies Act. These declarations indicate that certain directors hold positions of influence in other entities which are suppliers, customers and/or competitors of the Oceana group. Transactions conducted with these director-related customers and suppliers have been on an arm's length basis.

29. FINANCIAL RISK MANAGEMENT

Currency risk

The group is exposed to currency risk in its foreign trading operations, foreign subsidiary companies and foreign currency bank accounts held in South Africa and Namibia. Currency risks arising from foreign trading operations are partially hedged by means of forward exchange contracts and the set off effect of foreign currency receivables against foreign currency payables.

Foreign currency translation differences relating to investments in foreign subsidiaries are included in non-distributable reserves until the disposal of the investment, at which time exchange differences are recognised as income or expense.

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. Advances are short-term and usually recoverable 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 2002, 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.

Interest in principal subsidiaries and joint ventures

at 30 September 2002

NAME OF COMPANY	NATURE OF BUSINESS	ISSUED CAPITAL		EFFECTIVE HOLDING		INTEREST OF HOLDING COMPANY			
		2002 R	2002 %	2001 %		Cost of shares		Indebtedness	
						2002 R'000	2001 R'000	2002 R'000	2001 R'000
Atlantic Sea Products Controlling (Pty) Limited – Namibia (note 3)	Horse mackerel, orange roughy, hake	4 000	44,9	44,9					
Blue Continent Products (Pty) Limited	Trade in frozen and other fish products	1 000	100	100		1 932	1 932	57 071	46 546
Blue Ocean Products (Pty) Limited – Namibia (note 3)	Hake	4 000	42,75	46,86					
Calamari Fishing (Pty) Limited	Squid, hake, horse mackerel	4	100	100				15 151	14 955
Coast Trading Company (Pty) Limited	Rock lobster	30 024	100	100		207	207	(3 785)	–
Commercial Cold Storage (Pty) Limited	Cold storage	100	100	100				(34 041)	(19 181)
Commercial Cold Storage Group Limited	Investment holding	1 000 000	100	100		6 985	6 985		
Commercial Cold Storage (Duncan Dock) (Pty) Limited	Cold storage	100	70	70					
Commercial Cold Storage (Namibia) (Pty) Limited – Namibia	Cold storage	10 000	100	100					
Compass Trawling (Pty) Limited (note 3)	Hake	1 000	38,06	38,58					
Erongo Marine Enterprises (Pty) Limited – Namibia	Horse mackerel, hake	100	100	100				60 871	755
Erongo Seafoods (Pty) Limited – Namibia	Horse mackerel, hake	4 000	39,3	–					
Erongo Sea Products (Pty) Limited – Namibia	Horse mackerel								
Ordinary Preference		100	100	100				–	68 875
Erundu Stevedoring (Pty) Limited – Namibia	Stevedoring	400	75	75			10 000		
Etosha Fisheries Holding Company (Pty) Limited – Namibia (note 3)	Canned fish, fish meal/oil	9 000	45,2	45,2		10 988	10 988	(1 528)	–
Hicksons Fishing Company Limited	Rock lobster, property	140 000	100	100		35	35	250	–
Ikamva Lethu Fishing (Pty) Limited	Rock lobster	2 001	50,02	50,02				(3 121)	(4 017)
Interfrost (Pty) Limited – Australia	Rock lobster	41 243 574	100	100		41 244	41 244	1 211	–
Interpesca SA – Uruguay and Taiwan	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	18 093	14 277
Lamberts Bay Foods (Pty) Limited	French fries	1	100	100				(20 473)	(20 473)
Namaqua Fishing Company Limited	Rock lobster	100 000	100	100		25	25	1 155	303
North Bay Fishing Company Limited	Rock lobster	120 000	100	100		241	241	2 323	1 718
MFV Romano Paulo Vessel Company (Pty) Limited (note 3)	Rock lobster	3 000	35	35					
South African Sea Products Limited	Rock lobster, fish meal/oil and retail operations	965 500	100	100		966	966	(38 219)	(3 979)
Stephan Rock Lobster Packers Limited	Rock lobster	200 000	51	51		25	25	1 890	1 543
St Helena Bay Fishing Industries Limited	Canned products, fish meal/oil and rock lobster	600 000	100	100		1 706	1 706	(96 475)	(48 129)
TRT Shipping Services (Pty) Limited	Shipping, clearing and forwarding, bunkers	100	100	100				1 312	(6 250)
TRT Shipping Services (Namibia) (Pty) Limited – Namibia	Shipping, clearing and forwarding, bunkers	100	100	100				(8 183)	(12 031)
Tuna Marine (Pty) Limited	Abalone	100	100	100				35	–
Other						2 449	2 449		
						66 825	76 825	(46 463)	34 912

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 secretary.
2. Included in indebtedness is the company's share of final dividends declared by subsidiaries. These amounts have been offset against inter company balances for disclosure purposes.
3. Joint venture.

Interest in principal joint ventures

at 30 September 2002

	2002 %	2001 %
	Effective holding	
The following amounts are included in the group's financial statements as a result of the proportionate consolidation of the following significant joint ventures:		
Atlantic Sea Products Controlling (Pty) Limited	44,90	44,90
Blue Ocean Products (Pty) Limited	42,75	46,86
Compass Trawling (Pty) Limited	38,06	38,58
Etosha Fisheries Holding Company (Pty) Limited	45,20	45,20
MFV Romano Paulo Vessel Company (Pty) Limited	35,00	35,00
	R'000	R'000
INCOME STATEMENT		
Revenue	55 433	38 486
Expenses	49 981	41 691
Profit/(loss) before taxation	5 452	(3 205)
Taxation	(251)	477
Net profit/(loss) after taxation	5 703	(3 682)
BALANCE SHEET		
Property, plant and equipment	47 399	55 483
Investments	28	551
Current assets	21 278	21 259
Current liabilities		
– Interest bearing	(13 587)	(14 896)
– Interest free	(15 807)	(19 245)
Deferred tax	(712)	(734)
CASH FLOW STATEMENT		
Operating profit/(loss)	4 137	(5 308)
Adjustments for non cash items	11 093	3 853
Working capital changes	7 709	42 439
Cash flow from operations	22 939	40 984
Dividends received	48	200
Taxation paid	(355)	(712)
Interest paid	(1 580)	(2 002)
Net cash flow from operating activities	21 052	38 470
Cash flows from investing activities	1 494	(26 413)
Net increase in cash and cash equivalents	22 546	12 057

Share analysis

at 30 September 2002

	Note	2002	2001	2000	1999	1998	1997	1996
SHARE PERFORMANCE								
Market price per share (cents)								
Year end		1 550	1 050	686	410	460	510	500
Highest		1 580	1 100	720	610	950	575	575
Lowest		1 050	686	390	330	425	420	420
Price earnings ratio	1	9,6	8,3	6,4	4,9	5,7	8,2	10,3
Number of transactions	2	1 135	645	671	2 463	570	514	296
Number of shares traded (000s)	2	8 236	8 880	7 273	9 828	7 937	5 630	4 521
Value of shares traded (R'000)	2	114 003	82 311	39 815	39 433	55 633	28 021	22 476
Volume of shares traded as a % of total issued shares	2	7,6	8,4	7,0	9,5	7,7	5,6	4,5
Market capitalisation (R'000)	3	1 669 999	1 113 576	716 279	422 951	472 093	516 471	502 955
JSE food index (adjusted base 1996 = 100)		138,7	115,7	89,0	79,4	64,9	100,4	100,0
JSE industrial index (adjusted base 1996 = 100)		87,3	82,0	110,1	84,6	71,3	106,7	100,0
Oceana Group Limited share price index (adjusted base 1996 = 100)		310,0	210,0	137,2	82,0	92,0	102,0	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.

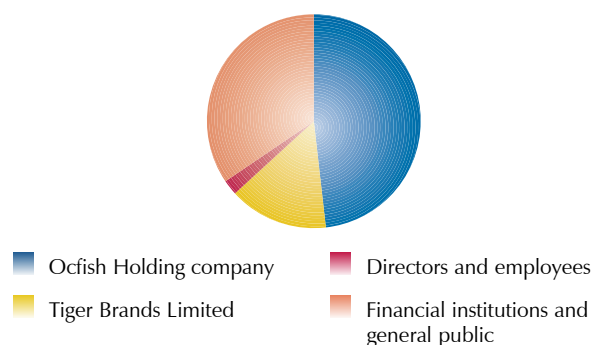
SHARE OWNERSHIP

	Number of share-holders	%	Number of shares	%
Holdings				
1 – 5 000 shares	999	89,8	1 293 517	1,2
5 001 – 50 000 shares	76	6,8	1 007 147	0,9
Over 50 000 shares	38	3,4	105 441 236	97,9
	1 113	100,0	107 741 900	100,0

Analysis of holdings

Ocfish Holding Company Limited	1	0,1	51 954 440	48,2
Tiger Brands Limited	1	0,1	16 148 289	15,0
Directors and employees	860	77,2	2 442 000	2,3
Financial institutions and general public	251	22,6	37 197 171	34,5
	1 113	100	107 741 900	100,0

SHARE OWNERSHIP – ANALYSIS OF HOLDINGS



Holdings in excess of 5%

Ocfish Holding Company Limited	51 954 440	48,2
Tiger Brands Limited	16 148 289	15,0

All shareholders are encouraged to attend the annual general meeting of the company.

Notice of annual general meeting

Notice is hereby given that the 85th annual general meeting of the shareholders of the company will be held in the Boardroom, 16th Floor, Metlife Centre, 7 Coen Steytler Avenue, Cape Town on Wednesday, 5 February 2003 at 14:00, to consider the matters and proposed resolutions (with or without modification) set out in the agenda below.

AGENDA

1. To receive and consider the annual financial statements of the company and the group for the year ended 30 September 2002, and if deemed fit, pass the following ordinary resolution:

Ordinary resolution number 1:

"Resolved that the annual financial statements of the company and the group, for the year ended 30 September 2002, are hereby adopted."

2. In terms of the articles of association of the company, Messrs Brian Patrick Connellan, Andrew Brian Marshall, Donald Mzolisa Jones Ncube and Shams Pather retire by rotation but, being eligible, offer themselves for re-election. The curriculum vitae of each of the aforesaid directors appears on page 63. Accordingly, to consider and if deemed fit, to re-elect these directors, by way of passing the separate ordinary resolutions set out below:

Ordinary resolution number 2.1:

"Resolved that Mr Brian Patrick Connellan be and is hereby elected as director of the company."

Ordinary resolution number 2.2:

"Resolved that Mr Andrew Brian Marshall be and is hereby elected as director of the company."

Ordinary resolution number 2.3:

"Resolved that Mr Donald Mzolisa Jones Ncube be and is hereby elected as director of the company."

Ordinary resolution number 2.4:

"Resolved that Mr Shams Pather be and is hereby elected as director of the company."

3. To consider the non-executive directors' fees of R380 000 paid to the directors of the company for the year ended 30 September 2002 as set out in the financial statements and if deemed fit, pass the following ordinary resolution:

Ordinary resolution number 3:

"Resolved that the non-executive directors' fees of R380 000 paid to the directors of the company for the year ended 30 September 2002 as set out in the financial statements, are hereby confirmed."

4. To consider, and if deemed fit, to approve the fees of the non-executive directors of the company for the year ending 30 September 2003, by passing the following ordinary resolution:

Ordinary resolution number 4:

"Resolved that the non-executive directors' fees for the year ending 30 September 2003 be as follows:

- As a member of the board R60 000
- As chairman of the audit committee R40 000
- As a member of the audit committee R20 000
- As chairman of the remuneration committee R30 000
- As a member of the remuneration committee R15 000."

5. To consider, and if deemed fit, to pass the following ordinary resolution:

Ordinary resolution number 5:

"Resolved that all 12 258 100 unissued authorised shares in the company, comprising the 5 002 100 unissued shares reserved for the Oceana Group (1985) Share Purchase Scheme and the Oceana Group (1985) Share Option Scheme, and the remaining 7 256 000 unissued shares under option in terms of such schemes, be and are hereby placed under the control of the directors, subject to the provisions of the Companies Act 61 of 1973 (as amended) and the JSE Securities Exchange South Africa's Listing Requirements, until the next annual general meeting."

6. To consider, and if deemed fit, to pass the following ordinary resolution, conferring a general authority on the directors to issue shares for cash:

Ordinary resolution number 6:

"Resolved that, subject to not less than 75% (seventy-five percent) of the votes cast by those shareholders of the company present in person or represented by proxy to vote at this annual general meeting at which this resolution is proposed, voting in favour of this ordinary resolution, the directors of the company be and are hereby authorised by way of a general authority to issue all or any of the authorised but unissued ordinary shares in the capital of the company for cash, as and when they in their discretion

Notice of annual general meeting

.....

deem fit, subject to the Companies Act, 1973 (Act 61 of 1973), as amended, the articles of association of the company, the Listings Requirements of the JSE Securities Exchange South Africa ("JSE") as presently constituted and which may be amended from time to time and the following limitations:

- (a) that this authority is valid until the company's next annual general meeting provided that it shall not extend beyond 15 (fifteen) months from the date that this authority is given;
- (b) that a paid press announcement giving full details, including the impact on the net asset value and earnings per share, will be published at the time of any issue representing, on a cumulative basis within one financial year, five percent or more of the number of shares in issue prior to the issue;
- (c) that ordinary share issues in one financial year may not in the aggregate exceed fifteen percent of the number of the ordinary shares in the company's issued share capital;
- (d) that in determining the price at which an issue of ordinary shares may be made in terms of this authority, the maximum discount permitted will be ten percent of the weighted average of the market price at which such ordinary shares are traded on the JSE as determined over the thirty business days immediately preceding the date that the price of the issue is determined or agreed by the directors of the company; and
- (e) that any such issue of ordinary shares will only be made to 'public shareholders', as defined by the Listings Requirements of the JSE, and not to related parties."

7. To consider, and if deemed fit, to pass the following ordinary resolution:

Ordinary resolution number 7:

"Resolved that, each and every director of the company be and is hereby authorised to do all such things and sign all such documents as may be necessary for or incidental to the implementation of the resolutions passed at this meeting."

8. To transact such other business that may be transacted at an annual general meeting.

GENERAL INSTRUCTIONS

All registered shareholders of ordinary shares in the company ("shares") are entitled to attend, speak and vote at the annual

general meeting. Please note that the company has moved to the JSE Securities Exchange South Africa's electronic settlement system, Shares Totally Electronic ("STRATE").

If you are a dematerialised shareholder (ie have replaced your paper share certificates with electronic records of ownership under STRATE) and are not an own name dematerialised shareholder, then:

- if you wish to attend the annual general meeting you should contact your Central Security Depository Participant ("CSDP") or broker, as the case may be, and obtain the relevant letter of representation from it. The letter of representation must be obtained within the time period required by your CSDP or broker, as the case may be, and allow it sufficient time to also provide such letter to the company's secretary prior to the annual general meeting; alternatively
- if you are unable to attend the annual general meeting, you must contact your CSDP or broker, as the case may be, and furnish it with your voting instructions in respect of the annual general meeting in accordance with the mandate between yourself and the CSDP or broker, as the case may be. You should not complete the attached form of proxy. If your CSDP or broker does not obtain voting instructions from you in respect of the annual general meeting, it will be obliged to act in terms of your mandate. The instructions must be provided within the time period required by your CSDP or broker, as the case may be.

If you hold certificated shares (have not dematerialised your shares in the company) or are an own name dematerialised shareholder, then:

- you may attend and vote at the annual general meeting; alternatively
- you may appoint a proxy to represent you at the annual general meeting by completing the attached form of proxy and returning it to the registered office of the company by no later than 24 hours prior to the start of the meeting.

By order of the board

J D Cole

Company secretary

Cape Town, 6 November 2002

Curriculum vitae of each director retiring by rotation and offering himself for re-election is as follows:

.....

B P CONNELLAN (62)

CA(SA)

After qualifying as a chartered accountant, he joined the Barlow Group.

He managed a number of subsidiaries and was appointed as a director of Barlow Rand Limited in 1985. He was chairman of the building materials, steel and paint division until 1990 and thereafter appointed as executive chairman of Nampak Limited, a position he held until retirement in 2001.

He is a director of Nampak Limited, Illovo Sugar Limited, ABSA Group Limited, Tiger Brands Limited, Reunert Limited, Sasol Limited and Bidcorp Plc.

A B MARSHALL (47)

BCom (Hons)

Appointed chief executive officer of the Oceana Group Limited in 1999.

Attended the University of Natal attaining a BCom majoring in financial management and a BCom Honours degree in marketing.

He held senior positions in Nampak in Johannesburg, Kaymac in Durban and Gundle in Johannesburg.

D M J NCUBE (55)

BA (Econ), MSc, DCom (HC)

Having graduated from Fort Hare University in 1972, he commenced employment with Anglo American Corporation, where he remained in operational, managerial and consultant positions until 1994, and during which time he graduated with an MSc in manpower studies from the University of Manchester. In 1997 he was awarded the degree DCom (HC) by the University of the Transkei.

He is the executive chairman of Real Africa Holdings Limited and non-executive chairman of several other companies including Real Africa Asset Management and South African Airways.

He was awarded the IPM President's Award 1990, the Business Day's Business Achievement Award 1994, the Human Resources Award of Excellence 1994 and the Alexandra Chamber of Commerce's Man of the Year 1994 Award. He was also awarded the Emerging Leading Industrialist Award by UNISA in 1998.

The World Economic Forum and World Link Magazine honoured him by selecting him as one of Southern Africa's most dynamic entrepreneurs.

S PATHER (52)

BBusSc, BCom (Hons), MBA

He is the chief executive of Real Africa Asset Management.

Since graduating from UCT in 1973, he has been actively involved in investment management which included senior executive functions at Colonial Mutual Assurance Company and the Southern Life Limited.

He is also an executive director of Real Africa Holdings Limited.

Administration

.....

REGISTERED OFFICE AND BUSINESS ADDRESS

16th Floor, Metlife Centre
7 Coen Steytler Avenue
Cape Town 8001
PO Box 7206, Roggebaai 8012
Telephone: National (021) 419 5911
International (+27) 21 419 5911
Facsimile: (021) 419 5979
E-mail: info@oceana.co.za
Website: www.oceana.co.za

SECRETARY

Jeremy David Cole (56)
BCom (Hons), LL.M
Appointed in 1984

COMPANY REGISTRATION NUMBER

1939/001730/06

COMPANY ISIN NUMBER

ZAE 000025284

TRANSFER SECRETARIES

Computershare Investor Services Limited
70 Marshall Street
Johannesburg 2001
PO Box 62053, Marshalltown 2107
Telephone: (011) 370 5000
Facsimile: (011) 370 5272

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

Form of proxy

.....

Not to be used by beneficial owners of shares who have dematerialised their shares through a Central Securities Depository Participant ("CSDP") or broker, as the case may be, ("dematerialised shareholders") who are not recorded on the sub-register in electronic form as "own name" dematerialised shareholders ("own name dematerialised shareholders").

For use by certificated and own-name dematerialised shareholders only at the annual general meeting of the company to be held at the registered office of the company, 16th Floor, Metlife Centre, 7 Coen Steytler Avenue, Cape Town at 14:00 on Wednesday, 5 February 2003 (the "annual general meeting").

I/We (block letters) _____

of _____

Telephone: Work () _____ Telephone: Home () _____

being the holder/s of _____ ordinary shares in the company, hereby appoint (refer note 1)

1. _____ or failing him/her,

2. _____ or failing him/her,

3. the chairperson of the annual general meeting,
as my/our proxy to attend, speak, vote and act for me/us on my/our behalf at the annual general meeting which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at any adjournment thereof and to vote for or against such resolutions or to abstain from voting in respect of the shares in the issued capital of the company registered in my/our name/s, in accordance with the following instructions (refer note 2).

	Number of votes (one vote per ordinary share)		
	For	Against	Abstain
Ordinary resolution no. 1: Adoption of annual financial statements			
Ordinary resolution no. 2.1: Election of Mr Connellan as director			
Ordinary resolution no. 2.2: Election of Mr Marshall as director			
Ordinary resolution no. 2.3: Election of Mr Ncube as director			
Ordinary resolution no. 2.4: Election of Mr Pather as director			
Ordinary resolution no. 3: Confirmation of non-executive directors' fees for 2002			
Ordinary resolution no. 4: Approval of non-executive directors' fees for 2003			
Ordinary resolution no. 5: Placing unissued shares under the control of the directors			
Ordinary resolution no. 6: General authority to issue shares for cash			
Ordinary resolution no. 7: General authorisation of directors			

Insert an "X" in the relevant spaces above according to how you wish your votes to be cast. If you wish to cast your votes in respect of a lesser number of shares than you own in the company, insert the number of shares held in respect of which you desire to vote (see note 2).

Signed at _____ on _____ 2003

Signature _____
(Authority of signatory to be attached if applicable – see note 5)

Assisted by me (where applicable) _____

Telephone number: _____

Certificated and own name dematerialised shareholders are entitled to appoint one or more proxies (who need not be a shareholder of the company) to attend, speak and vote in place of that shareholder at the annual general meeting and at any adjournment thereafter.

Please read the notes on the reverse side hereof.



(Incorporated in the Republic of South Africa)
(Registration number 1939/001730/06)
(ISIN number ZAE000025284)

Notes

.....

1. A certificated or own-name dematerialised shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space/s provided, with or without deleting "the chairperson of the annual general meeting", but any such deletion must be initialled by the shareholder. The person whose name stands first on the proxy form and who is present at the annual general meeting will be entitled to act as a proxy to the exclusion of those whose names follow thereafter. If no proxy is inserted in the spaces provided, then the chairperson shall be deemed to be appointed as the proxy to vote or abstain as the chairperson deems fit.
2. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the annual general meeting as he/she deems fit in respect of all the shareholder's votes exercisable thereat. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or by his/her proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the shareholder or by his/her proxy.
3. The last day to trade (LDT), i.e. the last date for any shareholder to trade to qualify to vote, is Friday, 24 January 2003. The record date (RD) is Friday, 31 January 2003 i.e. the date on which shareholders who are entitled to vote directly or by proxy through a CSDP or broker are determined, and is five business days after the LDT.
4. Proxy forms must be lodged at 16th Floor, Metlife Centre, 7 Coen Steytler Avenue, Cape Town 8001 or posted to the company secretary, Oceana Group Limited, PO Box 7206, Roggebaai 8012. Forms of proxy must be received or lodged by no later than 14:00 on Tuesday, 4 February 2003.
5. The chairperson of the general meeting may, in his/her absolute discretion, accept or reject any form of proxy which is completed, other than in accordance with these notes.
6. The completion and lodging of this proxy form will not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms thereof. Where there are joint holders of shares, the vote of the senior joint holder who tenders a vote, as determined by the order in which the names stand in the register of members, will be accepted.
7. Documentary evidence establishing the authority of a person signing this proxy form in a representative capacity must be attached to this proxy form unless previously recorded by the company's secretary or waived by the chairperson of the annual general meeting.
8. Any alteration or correction made to this proxy form must be initialled by the signatory/ies.
9. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the secretary of the company.
10. If required, additional forms of proxy are available from the secretary of the company.
11. Shareholders which are a company or body corporate may by resolution of their directors, or other governing body, authorise any person to act as their representative. The representative will be counted in the quorum and will be entitled to vote on a show of hands or on a poll.
12. If you are a dematerialised shareholder and are not an own name dematerialised shareholder, do NOT fill in this proxy form:
 - if you wish to attend the annual general meeting you should contact your CSDP or broker, as the case may be, and obtain the relevant letter of representation from it. The letter of representation must be obtained within the time period required by your CSDP or broker, as the case may be, and allow it sufficient time to also provide such letter to the company's secretary prior to the annual general meeting; alternatively
 - if you are unable to attend the annual general meeting, you must contact your CSDP or broker, as the case may be, and furnish it with your voting instructions in respect of the annual general meeting in accordance with the mandate between yourself and the CSDP or broker, as the case may be. You should not complete the attached form of proxy. If your CSDP or broker does not obtain voting instructions from you in respect of the annual general meeting, it will be obliged to act in terms of your mandate, or if the mandate is silent in this regard, to abstain from voting. The instruction must be provided within the time period required by your CSDP or broker, as the case may be.

