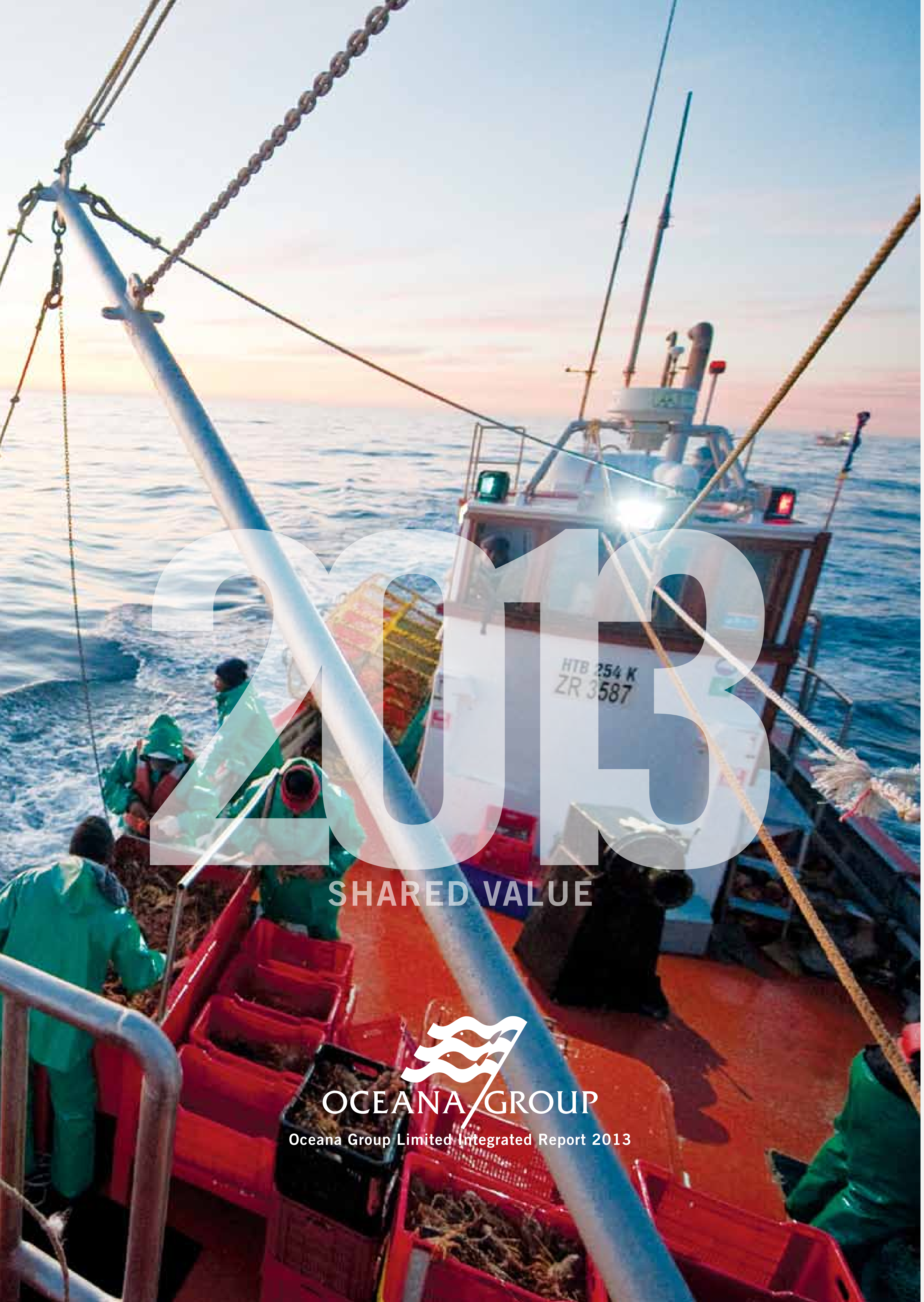


INCORPORATED
1918

TOTAL NUMBER OF EMPLOYEES
3 706

LEVEL
2
B-BBEE CONTRIBUTOR

TOTAL NUMBER OF DIRECT EMPLOYEES
3 275

- Incorporated in 1918, Oceana Group is the largest fishing company in South Africa, and an important participant in Namibia's fishing industry. We are listed on both the Johannesburg (JSE) and Namibian (NSX) stock exchanges.
- We provide employment opportunities for 3 706 employees, of whom 3 275 are directly employed and 431 are indirectly employed.
- Oceana is a majority black-owned company and a level 2 B-BBEE contributor. In 2013, Oceana was rated as the second most empowered listed company in South Africa (*Mail & Guardian*'s Most Empowered Companies ranking).
- Our core fishing business is the catching, processing, marketing and distribution of canned fish, fishmeal, fish oil, lobster, horse mackerel, squid and hake. The business includes midwater fishing (horse mackerel), deep-sea trawling (hake), as well as inshore fishing for pelagic fish (pilchard, anchovy and redeye herring). Our products are sold and consumed in many African countries, Asia, the EU, the USA and Australia.
- While the group's principal market for fish is the lower-income consumer (canned fish and horse mackerel), we also sell products aimed at the upper-income consumer (lobster, hake and certain canned fish). The majority of sales revenue (69%) comes from South Africa and Namibia, followed by markets in Southern and West Africa, Europe and the Far East.
- Oceana's fishing activities are conducted primarily through three operating divisions: Lucky Star; Blue Continent Products; and Oceana Lobster, Squid and French Fries. A fourth division, CCS Logistics, provides public refrigerated warehouse facilities with operations in Cape Town, Durban, Johannesburg and Walvis Bay. This structure creates value through economies of scale and efficiencies in terms of raw material and product volumes, use of vessels and production resources, market focus, risk management and growth opportunities.
- We are committed to and support responsible fishing practices. Oceana is a founder member of the Responsible Fisheries Alliance (RFA), and has partnered with WWF and other commercial industry players in the RFA to enhance an ecosystems approach to fisheries management.
- The group has a strong board and an experienced management team that maintains a culture of good governance informed by effective risk management and compliance practices and supported by a stable and experienced employee base.

OWNERSHIP PROFILE

OCEANA SHAREHOLDER	NUMBER OF SHARES HELD	PERCENTAGE OF TOTAL ISSUED SHARES
Tiger Brands	50 098 877	41,9
Brimstone	20 096 755	16,8
Oceana Empowerment Trust	13 986 967	11,7
Other	35 331 558	29,6
Total	119 514 157	**100,0**

OUR STRATEGIC OBJECTIVES

> "The skipper of the vessel on our 2013 integrated report cover is Paulus de Wee, who started working for Oceana on 1 November 1970 as a crewman. After 43 years of valuable service with Oceana, he retired on 29 November 2013."

OUR CORE PURPOSE

is to be Africa's most efficient converter of fishing rights into value

Delivering on this core purpose is underpinned by five strategic objectives

STRATEGIC OBJECTIVES

1. LEADING STEWARDSHIP OF MARINE RESOURCES

- Harvesting our marine resource allocations responsibly
- Partnering with others to promote responsible fisheries management
- Monitoring and managing the group's impact on the environment

2. DRIVING TRANSFORMATION AND LOCALISATION

- Being a sector leader in terms of our transformation and localisation credentials
- Maintaining an independently accredited B-BBEE level 2 rating in South Africa
- Promoting and protecting the ongoing transformation of the group's equity profile

3. OPTIMISING OUR OPERATIONS

- Attracting, developing and retaining the best available talent throughout the group
- Driving effectiveness and efficiency in fleet and throughout the value chain
- Actively evaluating and mitigating risk, and maintaining effective governance systems

4. GENERATING SUSTAINED FINANCIAL RETURNS BY ANTICIPATING MARKET TRENDS

- Identifying opportunities for acquisitive and organic growth of the group
- Achieving growth in headline earnings
- Delivering superior returns to shareholders

5. BUILDING TRUSTED RELATIONSHIPS

- Encouraging proactive engagement with key stakeholders
- Adhering to strict food safety standards and exceeding customers' product quality expectations
- Delivering value for local communities




MISSION AND VALUES

MISSION STATEMENT

To be the leading empowered fishing and commercial cold storage company in Africa:

- responsibly harvesting a diverse range of marine resources
- efficiently producing relevant products for global markets
- actively developing the potential of all employees
- positively assisting less privileged communities in which the company operates

thereby consistently providing superior returns to all stakeholders.




VALUES

- Oceana's people and their performance are important to the group
- Oceana is an integral part of the communities in which it operates
- The planet is Oceana's home and the responsible management of the marine environment is critical to its future
- Oceana's reputation is an asset
- Oceana's customers and suppliers are its partners
- Oceana's performance rewards its shareholders' expectations

ABOUT THIS REPORT

SCOPE, BOUNDARY AND REPORTING CYCLE

Oceana's 2013 integrated report provides material information relating to the group's strategy, governance practices and performance for the financial year ended 30 September 2013. The report covers the full business operations of the group, which comprises subsidiaries in the fishing and commercial cold storage and logistics industries in South Africa and Namibia.

This is Oceana's third annual integrated report. Although targeted primarily at the group's shareholders, analysts and investors, the report will be of interest to all stakeholders who wish to make an informed assessment of the group's ability to create value, over the short, medium and long term.

The report focuses primarily on the main operations and activities that contribute to Oceana's performance, namely, canned fish and fishmeal; horse mackerel and hake; lobster, squid and French fries; and commercial cold storage and logistics (see page 12). Unless otherwise stated, all performance data is for the 12-month period ended 30 September 2013, and relates to all of the group's South African and Namibian operations, including Blue Atlantic Trading and Etosha Fisheries. The B-BBEE assessment, as well as the employment equity statistics excludes non-South African companies and Blue Atlantic Trading. There has been no significant change to the group's organisational structure since 2012, nor were there any significant restatements of data during the year; any data restatement has been indicated.

REPORTING PRINCIPLES

In preparing this report, Oceana applied the principles contained in the King Code of Corporate Governance, 2009 (King III), the JSE Listings Requirements, the International Financial Reporting Standards and the Companies Act, 71 of 2008. The report also draws on the International Integrated Reporting Council (IIRC) Consultation Draft of the International Integrated Reporting Framework. Commentary has been provided to explain the reasons for certain principles in King III not being complied with fully.

EXTERNAL AUDIT AND ASSURANCE

An independent audit of the group's annual financial statements (AFS) was performed by Deloitte & Touche. The B-BBEE scorecard information was verified independently by Empowerdex. The rest of this integrated report has not been subjected to independent audit or review. Information reported, other than that mentioned above, is derived from the group's own internal records and from information available in the public domain.

We welcome your feedback on this report. Please address any queries or comments to our company secretary at companysecretary@oceana.co.za.

STATEMENT OF THE BOARD OF DIRECTORS OF OCEANA GROUP LIMITED

The board acknowledges its responsibility to ensure the integrity of the annual integrated report. In the board's opinion, this report provides a fair and balanced account of the group's performance on those material issues that we believe have a bearing on the group's capacity to create value over the short, medium and long term. The 2013 integrated report has been prepared in line with internationally recognised best practice and complies with the recommendations of King III, principle 9.1. The report, including the annual financial statements of the group for the year ended 30 September 2013, were approved by the board of directors on 4 December 2013 and signed on its behalf by

Mustaq Brey
Chairman

Francois Kuttel
Chief executive officer

INVESTOR TOOLS

The following investor tools will help you navigate better throughout this report:

	Cross-reference to relevant sections within this report
	View more information on our website: www.oceana.co.za
	Terms are explained in the glossary on page 136
	Will take you to information that is suitable to view on your smartphone
	This icon represents where we are satisfied with our performance
	This icon represents where we are not satisfied with our performance

MATERIALITY

This report has been prepared primarily for current and prospective investors to support their financial capital allocation assessments. It provides concise information that is material to assessing Oceana's ability to create value in the short, medium and long term. The report focuses throughout on our performance and prospects in terms of our strategic objectives. These objectives (inside front cover) have been identified on the basis of an assessment of how we create value (page 16), the issues that have an impact on value (page 18), and the principal risks facing the group (page 22). Our strategic objectives focus explicitly on those issues that we see as being most material to our capacity to create value, and to delivering on our core purpose.

CONTENTS

OCEANA GROUP

Oceana Group Limited
Incorporated in the Republic of South Africa
(Registration Number 1939/001730/06)
(Oceana or the company or the group)

THE YEAR IN NUMBERS

REVIEWING OUR PERFORMANCE AGAINST OUR STRATEGIC OBJECTIVES

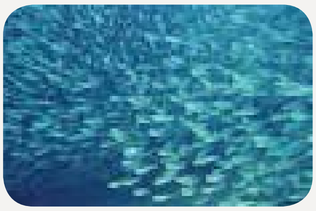
- **2nd** most empowered listed company in South Africa
- Independent **level 2 B-BBEE** rating with a score of **95,17** compared to 93,98 in 2012
- **54,9%** black ownership in Oceana
- **91%** black employees in South Africa (2012: 92%)
- **79%** Namibian employees in Namibia (2012: 80%)
- **2 706** employee beneficiaries hold rights to **13 986 967** shares in Oceana through the Oceana Empowerment Trust
- **R1,4 billion** spent on preferential procurement with **1 987** BEE suppliers



- **99,6%** of our targeted South African commercial fishing rights are on the SASSI Green List
- Hake deep-sea trawl fishery is MSC accredited
- Hake operations retained MSC chain of custody certification
- IFFO RS accreditation retained for Hout Bay and St Helena Bay fishmeal plants

- **0** production days lost to strike action or labour unrest (2012: 0 days)
- **R3,3 million** CSI investment in fishing communities in the Western and Eastern Cape (2012: R3,3 million)
- **N$12,8 million** CSI investment in Namibian communities (2012: N$1,9 million)


- Caught **59%** of own horse mackerel rights in South Africa and **83%** in Namibia by the end of September 2013
- Landed **76%** of own pilchard rights by the end of September 2013
- Landed **100%** of own west coast rock lobster rights
- **327 tons** lobster landed, **18 698 tons** french fries and **2 million** Lucky Star cartons produced
- Total fleet of **37** vessels
- Cold storage capacity: **110 000** pallet spaces in **10** warehouses (2012: 106 000 pallet spaces in 8 warehouses)



- REVENUE
  R5 billion
  (2012: R4,65 billion) **8%**

- DIVIDEND PER SHARE
  322 cents
  (2012: 301 cents) **7%**

- OPERATING PROFIT BEFORE ABNORMAL ITEMS
  R749 million
  (2012: R711,0 million) **5%**

- HEADLINE EARNINGS PER SHARE (BASIC)
  487,9 cents
  (2012: 455,7 cents) **7%**

- **3 million** Lucky Star meals consumed per day


VALUE ADDED STATEMENT
at 30 September 2013

	2013 R'000	2013 %	2012 R'000	2012 %
Revenue	4 997 354		4 647 951	
Paid to suppliers for materials and services	3 320 349		3 190 413	
Value added	1 677 005		1 457 538	
Income from investments	16 330		36 279	
Total wealth created	1 693 335		1 493 817	
Distributed as follows:				
Employees				
Salaries, wages and other benefits	797 654	47,1	677 020	45,3
Providers of capital	388 505	22,9	243 722	16,3
Interest on borrowings	10 282	0,6	3 108	0,2
Dividends to non-controlling interests	21 251	1,2	12 426	0,8
Dividends to shareholders of Oceana Group Limited	356 972	21,1	228 188	15,3
Government				
Central and local (Notes 1 and 2)	265 855	15,7	258 941	17,4
Reinvested in the group to maintain and develop operations	241 321	14,3	314 134	21,0
Depreciation, amortisation and impairment loss	103 619	6,1	100 633	6,7
Retained surplus (Note 3)	146 167	8,7	223 312	15,0
Deferred taxation	(8 465)	(0,5)	(9 811)	(0,7)
Total wealth distributed	1 693 335	100,0	1 493 817	100,0
Notes				
1. Central and local government:				
Company taxation	235 746		234 558	
Skills development levy net of refunds	2 826		1 762	
Rates and taxes paid to local authorities	7 144		3 122	
Customs duties, import surcharges and excise taxes	16 329		11 933	
Withholding taxes	3 810		7 566	
	265 855		258 941	
2. The total amount contributed to the central and local government as reflected above excludes the following amounts collected by the group on behalf of the government:				
VAT: Net amount refunded	(112 610)		(93 965)	
PAYE and SITE withheld from remuneration paid	125 839		82 248	
UIF contributions withheld from employees' salaries	2 790		2 335	
	16 019		(9 382)	
3. Retained surplus comprises:				
Group profit after taxation	524 390		463 926	
Less: Dividends paid to:				
Shareholders of Oceana Group Limited	(356 972)		(228 188)	
Non-controlling interests	(21 251)		(12 426)	
	146 167		223 312	

DESPITE THE TOUGH MARKET CONDITIONS OCEANA HAS ONCE AGAIN PERFORMED WELL ON ALMOST ALL FRONTS, AND HAS DEMONSTRATED ITS COMMITMENT TO BEING AFRICA'S MOST EFFICIENT CONVERTOR OF FISHING RIGHTS INTO VALUE.

View more information on our website: **www.oceana.co.za**

ACHIEVING OUR CORE PURPOSE

Given the challenges of the current business environment it is pleasing to report that Oceana has continued delivering a credible performance throughout the year. Although we were not able to sustain the rate of growth of the previous year, we nevertheless ended the reporting period with a strong overall performance, delivering sustained value to all of our main stakeholders.

Our positive performance during the year has been driven by a clear focus on our five main strategic objectives. These objectives (presented on the inside front cover) were developed on the basis of a considered assessment by the executive team of the business risks that have a material impact on our ability to create value. These risks, our response measures and the associated strategic objectives, are outlined at a group level on page 22, and are described at an operational level in our operational reviews. In line with the emerging governance expectations relating to integrated reporting, this year's report provides a more detailed review of how Oceana creates value, and of the resources and relationships that impact our ability to create and share value.

CREATING VALUE BY DELIVERING ON OUR STRATEGY THROUGHOUT OUR OPERATIONS

While the performance this year was mixed across our divisions, each of the four main operating segments continued making a positive contribution to the group's net revenue and earnings, by delivering effectively on our core strategic objectives.

Horse mackerel and hake

The horse mackerel business generated valuable growth this year, despite the challenges it faced with the changes in the allocation of fishing rights in Namibia. The quota reallocation that commenced in January 2012 (and that was reported on in last year's report) was followed by a further allocation to new rights holders in August 2012. This had significant cost implications for the group, arising from the need to contract quota from new rights holders as well as the increased competition from international operators. We were disappointed with our allocation, as we have been working hard at adding value through our contribution to the Namibian economy and our surrounding communities. During the year we have maintained proactive engagement with the Namibian government, and have made good progress in promoting the localisation of our operations.

The change in allocation of quotas has placed a strain on the utilisation of our assets and our ability to maintain the current levels of employment. During the year we engaged with government to discuss the allocation of the horse mackerel quota which had been reserved to secure further quota so that our vessels would continue operating and thereby avoid reducing our workforce. Within this context it was encouraging that all our vessels performed well in terms of landings, efficiencies, product quality and cost management. By the end of September we had caught 59% (2012: 48%) of our own and contracted quota in South Africa, and 83% (2012: 76%)in Namibia. Fishing conditions in South Africa were good and despite the *Desert Diamond* being in drydock during July and August, catches this year exceeded 2012 levels. The resource is viewed as being stable and increased for the first time since the precautionary maximum catch limit (PMCL) was announced in 2001. Horse mackerel sales by volume from South Africa increased compared with the previous year. Limited global supply, together with strong demand, resulted in increased prices.

Our hake division experienced a particularly good year. This reflected the successful integration of the Lusitania hake vessels and quotas, the good catch levels, a slightly higher average selling price, and a favourable exchange rate making our product attractive to our export markets in Spain, Portugal, Italy, Australia and Korea. This year our total quota for deep-sea hake trawl, including that of our joint venture partners, was more than double our 2012 quota, largely as a result of the Lusitania acquisition. We expect to land our full quota for the allocation period, which ends with the calendar year.

The uncertainty around the reliability and functionality of government's research vessel, the *Africana*, remains a cause for concern as it could have a negative impact on the setting of total allowable catches (TACs) in the small pelagic sector, as well as the Marine Stewardship Council's assessment of government's ability to manage the South African hake fishery sustainably. To address this concern, where appropriate we will continue assisting the government and scientists in conducting pelagic surveys.

Lucky Star: canned fish and fishmeal

Lucky Star had a tough year, and in contrast with previous years did not provide the largest contribution to group profits. Earnings declined primarily as a result of the flat canned fish sales growth year on year, the impact of the weakening rand affecting margins on imported canned fish product, and the much lower volumes of industrial fish that were landed, resulting in a significant reduction in the sale of fishmeal and fish oil. The decline in the local sales volumes of Lucky Star in the second half was mainly a result of the increasing economic pressure experienced by our core consumer and the trade destocking following higher sales prior to a price increase earlier in the year. While total international sales volumes of canned fish were flat compared with last year, sales into the more profitable South African Development Community (SADC) region have doubled.

In terms of fishmeal and fish oil, the international market was reasonably buoyant throughout the year, and the average selling prices were favourable as a result of high dollar prices and a weaker exchange rate. Unfortunately we were not able to capitalise on this, due to the poor landings of anchovy and redeye herring. Looking to the future, given the role of canned fish as a key staple protein choice of Southern African consumers, the strength of the iconic Lucky Star brand, and the strong demand for and price of fish oil, I am confident that the division will return to positive growth. In pursuing this growth, we are exploring opportunities to reduce our costs in the canned fish supply chain, as well as seeking to more actively expand into African markets.

Lobster, squid and french fries

Our lobster business delivered a welcome growth in revenue on the previous year. Increased sales, particularly of live lobster products to China and whole frozen lobster to Japan, benefited from the weaker currency and the steady demand. By close of season we had landed 100% of our own and contracted quota. With marine scientists favouring a conservative approach to rebuild the biomass, we expect that the commercial TAC will be reduced in the next season. To manage against this declining volume, we are looking to procure additional volumes through joint venture arrangements with artisanal fishermen and communities, as well as catching, packing and marketing other commercial rights holders' quotas. While we believe that the regulatory process for determining the lobster TAC and for allocating long-term access rights is satisfactory, we have continuing concerns regarding the authorities' capacity to ensure effective monitoring and policing of this resource.

The squid division had another challenging year, and reported losses again. Following a poor 2012 season, catches declined this year by a further 25%, resulting in the lowest recorded squid availability in the last decade. While it is difficult to predict the next season's performance of the squid resource, historical trends suggest a likely increase in catches. Notwithstanding the depressed economic conditions in the primary European markets, prices remained at similar levels to last year, and demand for squid products remained steady, particularly in the Japanese market. We anticipate a successful renewal of our long-term squid fishing rights, as we believe the business has performed well against the government's qualifying criteria. An important continuing risk relates to the possible redistribution of rights to this limited fish resource. In addition to seeking opportunities to process and market additional fish from third parties, we are investigating other fishing opportunities for our squid vessels.

Our French fries business also reported a marginal loss for the financial year, largely as a result of the poor quality of potato supplies in the first quarter, and the rising transport costs through the year. Although profitability increased as the raw material quality improved, this was insufficient to offset first quarter losses. We generated increased revenue later in the year due to strong sales volumes, primarily in the quick service restaurant (QSR) market. Another challenge this year is that imported fries, priced well below local production costs, put significant downward pressure on locally produced fries. Local French fries producers succeeded in securing a 62% safeguard duty on imported product for a period of 200 days, expiring in January 2014, resulting in a significant decline in the volume of imported fries. Looking to the future, we anticipate that pricing will be adjusted to achieve at least a margin that covers raw material pricing, local inflation, quality fluctuations and reinvestment in the plant.

CCS Logistics

This year we began to see the fruits of the new growth strategy developed by management over the past 18 months. Revenues were appreciably higher this year, driven primarily by a growth in storage capacity and an increase in pallet volume throughput across all temperature categories. Our ability to maintain consistent occupancy levels in respect of frozen products, to achieve increased throughput particularly in citrus volumes, and to deliver on cost-reduction initiatives, were all key contributors to growth in profitability. We were also successful in introducing additional customer services and new revenue streams during the year as part of our focus on service expansion, innovation and cost management. While these have not yet had a material impact on revenues and margins, we expect to see the contribution of these new services as customer participation increases and as the services become more integrated within our long-established core services.

FOODCORP ACQUISITION

The Competition Commission has approved the acquisition of the fishing interests of Foodcorp Proprietary Limited, subject to certain conditions. One of these conditions is not acceptable to both Oceana and Foodcorp. Accordingly a request for consideration has been filed with the Competition Tribunal challenging the condition in question. In the interim Oceana and Foodcorp have agreed to extend the sale of the business agreement until 31 January 2014.

REMAINING AN INDUSTRY LEADER ON TRANSFORMATION

Given the highly regulated nature of the fishing sector, and the fact that our access to marine resources is governed through a competitive application process, it is essential that we ensure full compliance with government expectations, and that we maintain a constructive relationship with regulatory authorities. A priority focus area for us – and one that is strongly aligned with our core purpose of converting fishing rights into value – is our strategic commitment to meeting government expectations on transformation in South Africa and localisation in Namibia, both issues that have a critical bearing on our long-term success.

In South Africa, we have once again retained our level 2 B-BBEE rating, with a score of 95,17 out of 100 points in terms of the Department of Trade and Industry (dti) B-BBEE scorecard. It is pleasing to see that our commitment to promoting transformation has been recognised by others, with Oceana being rated the second most empowered listed company in South Africa in the 2013 *Mail & Guardian*'s Most Empowered Companies ranking.

We have engaged with officials at the Department of Agriculture, Forestry and Fisheries (DAFF) and the dti throughout the year on the need to ensure consistency in measuring and assessing transformation. We have motivated strongly for inclusion of the trumping provision in the B-BBEE Amendment Bill, which would ensure that B-BBEE legislation takes precedence over other legislation, as we believe that this will provide greater certainty on the measures to be applied and the targets that industry players should aspire to. We wait with great interest to see how the B-BBEE Amendment Bill will be finalised, which we anticipate will happen during the current parliamentary process.

Given the existing approach adopted by DAFF, while our overall focus remains on ensuring credible broad-based empowerment across all measures, the retention of at least our current level of black ownership of 54,9% is vital as we head into the long-term rights application process during 2014. A priority long-term objective is to further increase the level of black ownership by 2020.

One of our most significant initiatives for providing meaningful broad-based empowerment, and for delivering genuine social value from our fishing activities, is through the Oceana Empowerment Trust (previously known as the Khula Trust). With its 11,7% shareholding in Oceana the value of the Trust has increased significantly since its establishment, receiving a total of R185 million in dividends. In September 2013, we made a third allocation of participatory rights to 800 black employees who joined Oceana after May 2010 and who were still in our employ on 1 August 2013. During the process we allocated rights to 2,1 million shares with an accrued capital value of R168 million. We had made two prior allocations to employees, the first in 2007 when we allocated 8 360 000 rights to 1 978 employees, and the second in 2010 when we allocated 7 938 000 rights to 2 347 employees. At the financial year-end, the market value of the shares owned by the Trust was R1,2 billion. The pre-tax value of the Oceana Empowerment Trust to employee beneficiaries amounts to R1,04 billion.

ENGAGING WITH OUR STAKEHOLDERS

Our capacity to create value is strongly linked to the quality of our relationships with our key stakeholders. Maintaining positive relations with our various external stakeholders – such as government, investors, neighbouring communities, customers, suppliers, fishery research bodies and relevant NGOs – remains a key priority for the group.

It has been encouraging this year to see that our strong focus on engaging constructively and frequently with government has delivered positive results, and that we now enjoy more open channels of communication. We have engaged throughout the year with key government representatives at all levels, both at a personal individual level, as well as through engagements with relevant parliamentary portfolio committees.

7%
ANNUAL INCREASE IN BASIC HEPS

R1,2 BILLION
INVESTED IN THE OCEANA EMPOWERMENT TRUST

8%
RISE IN TURNOVER

During the year we built further on the recent consolidation of our corporate social investment activities, through the work of the Oceana Foundation. The Foundation's focus during the year was directed towards education and food security projects in Hout Bay, St Helena Bay, Lambert's Bay and Port Elizabeth. The engagement process with school principals, teachers, members of school governing bodies and departmental officials has resulted in meaningful relationships being established with stakeholders, most of whom now regard Oceana as a key partner. In Namibia a donation of N$9,8 million was made towards government's drought relief effort.

A continuing challenge that we face is the need to respond appropriately to concerns from certain stakeholders regarding odour emissions from our fishmeal plants in Hout Bay and St Helena Bay. We continue engaging with all relevant authorities, community and other stakeholders on our operations.

PROMOTING ENVIRONMENTAL RESPONSIBILITY

The group has established itself as a leader in environmentally responsible business practices, particularly in terms of promoting responsible fishing practices within our company and the sector more broadly. We are a founding member of the Responsible Fisheries Alliance (RFA) – a partnership with WWF-South Africa, BirdLife South Africa and three other fishing companies – and have made good progress this year within the RFA in implementing an ecosystems approach to fisheries management. We also promote the requirements of the Marine Stewardship Council and the International Fishmeal and Fish Oil organisation. Each year we commission and publish scientific studies relating to the marine resources that we harvest.

We strive to ensure that all of the commercial rights that we harvest are on the Southern African Sustainable Seafood Initiative (SASSI)'s green list. This year all but two of our South African commercial fishing rights fall within the green category of the updated SASSI list. Our rights relating to sole fishery (on the orange list) were acquired with the acquisition of Lusitania last year, but none of these rights were harvested in 2013.

The west coast lobster fishery was placed on the orange list recently following a scientific recommendation for a reduction of the TAC not being followed by DAFF. After direct consultation with the minister, DAFF introduced measures to rebuild the stock, and we are confident that it will recover and can be sustainably harvested.

We continue being active in managing our own environmental footprint. We have a comprehensive environmental management system in place, and have conducted environmental audits at all of our land-based facilities and some of the group's vessels. This year we commissioned an external consultancy to develop an energy reduction action plan that provides the basis for setting divisional targets linked to energy-efficiency projects and renewable energy projects. This was the ninth consecutive year that Oceana has been included in the JSE's Socially Responsible Investment (SRI) Index and the fourth consecutive year that we have participated in the CDP (formerly known as the Carbon Disclosure Project).

CONCLUSION AND OUTLOOK

Looking back at the year under review, I have no doubt that we are delivering on our core purpose, and that Oceana is Africa's most efficient convertor of fishing rights into value. Through the scale and diversity of our business, the efficiency of our operations, and the nature of our investments, we have the capacity to most effectively convert fisheries – a critical national and global resource – into sustained value for stakeholders.

I believe that we have shown our commitment to delivering on this capacity by being the largest and most stable employer in the sector, the most progressive in terms of employee benefits, the most significant contributor of investment into the local economy and neighbouring communities, and the most empowered listed company in the sector. We have consistently delivered superior returns to our shareholders, and provided our consumers with access to one of the most affordable forms of animal protein. We have demonstrated our commitment to delivering this value sustainably through the role the company has played in driving and supporting responsible fishing practice.

While we have been successful in the past, we cannot afford to be complacent looking to the future. Our ability to deliver value is influenced by numerous factors, many of which are beyond the group's control. Maintaining our ability to grow, depends ultimately on how well we are able to anticipate and adapt to the changing business context, and on our ability to nurture the resources and relationships that underpin our business model.

I believe that the group's positive performance in recent years reflects the strong quality of our people, and that this will inform our continued success into the future. Looking ahead, I am confident that we have a strategy and growth plan that is responsive to the material risks and opportunities facing the group over the short, medium and long term.

I would like to thank all our stakeholders – our shareholders, employees, customers, suppliers, government officials and community members – who are integral to achieving Oceana's vision, and who will continue working in partnership with us to deliver shared value.

FRANCOIS KUTTEL
Chief executive officer

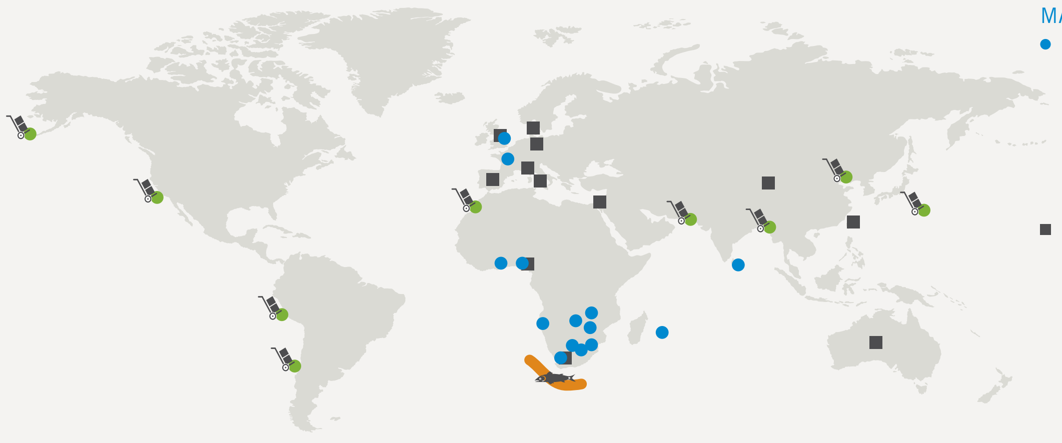
4 December 2013

THE OCEANA GROUP AT A GLANCE

THE OCEANA GROUP AT A GLANCE

KEY TO MAPS
CATCH PROCUREMENT MARKET

CANNED FISH AND FISHMEAL



MARKET

- **CANNED FISH:** South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Zambia, Malawi, Angola, United Kingdom, France, Mauritius, Ghana and Sri Lanka
- **FISHMEAL AND FISH OIL:** South Africa, Nigeria, China, Germany, Turkey, Israel, Denmark, Greece, Australia, Spain, United Kingdom and Taiwan

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LUCKY STAR

PRODUCTS

- Canned fish: Lucky Star and Lucky Pet products
- Fishmeal and fish oil

REVENUE	OPERATING PROFIT before abnormal items
R2,66 billion	**R219,6** million
2012: R2,58 billion	**2012:** R318,9 million

CANNED FISH

- Operates largest EU-accredited canneries in South Africa and Namibia
- Canned fish is a key protein choice of Southern African consumers, consumed in 3 million meals daily
- Canned pilchards are marketed and sold under the Lucky Star, Seafare and Seafare brands in South African and other African markets
- Canned tuna, sardines, mussels, jack mackerel and mackerel are marketed and sold under the Lucky Star brand in Southern Africa
- Canned and dried cat food are marketed in South Africa under the Lucky Pet brand
- Canned pilchard is marketed under the Glenryck brand in the UK
- Own fleet consists of four steel refrigerated seawater vessels in South Africa, and three in Namibia
- Holds supply contracts with local and offshore canners
- Healthy and affordable product endorsed by the Heart and Stroke Foundation and Diabetes South Africa
- Lucky Star brand was voted eighth favourite brand overall in South Africa and second in the tinned foods category in the 2013 *Sunday Times* Top Brands survey

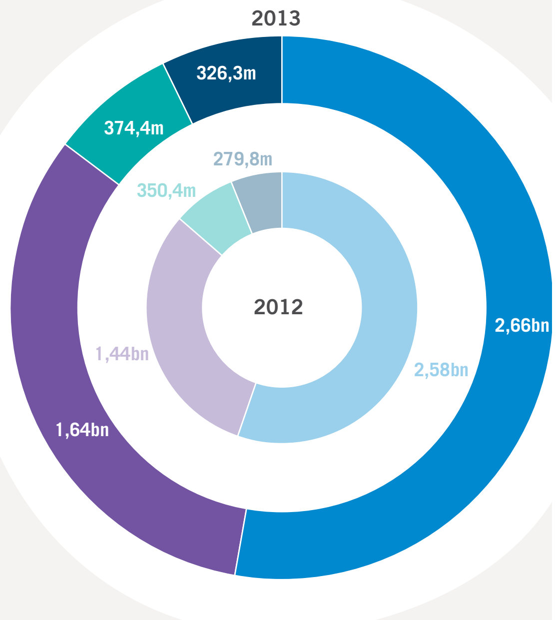
2 canneries
3 fishmeal plants

FISHMEAL AND FISH OIL

- Anchovy, redeye herring and associated by-catch and cannery offcuts reduced to fishmeal and oil
- Fishmeal is used for animal and aquaculture feeds and also in the chemical industry
- Products are sold into the local and global export markets
- Eight vessels, wholly owned, co-owned or with joint ventures and four contracted vessels
- Resources are sustainably harvested and in a healthy condition
- Two IFFO RS-certified fishmeal plants in St Helena Bay and Hout Bay

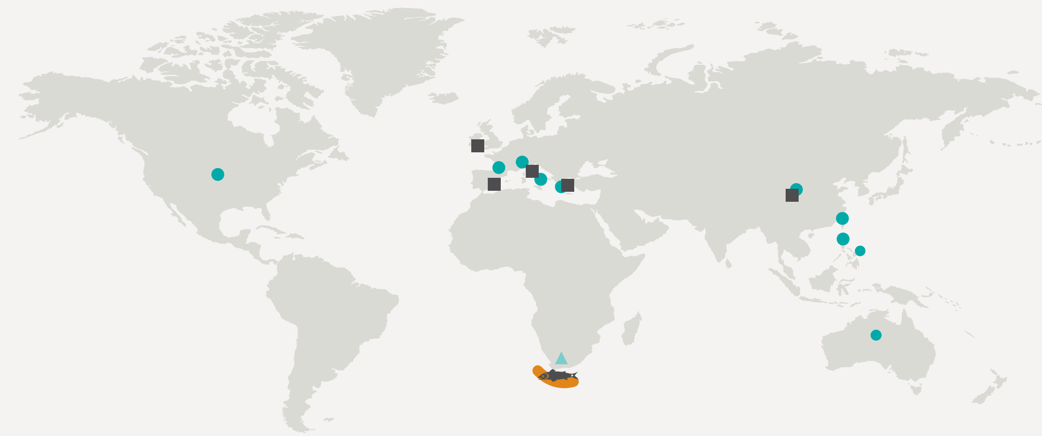
4 steel refrigerated seawater vessels in South Africa
3 steel refrigerated seawater vessels in Namibia
7 vessels, wholly owned, co-owned or joint ventures

REVENUE PER BUSINESS SEGMENT (R)



LOBSTER, SQUID AND FRENCH FRIES

OCEANA LOBSTER — AN OCEANA GROUP COMPANY
CALAMARI FISHING — AN OCEANA GROUP COMPANY
LAMBERTS BAY FOODS — AN OCEANA GROUP COMPANY



MARKET

- **LOBSTER:** Australia, China, France, Greece, Hong Kong, Italy, Japan, Switzerland, Taiwan, USA
- **SQUID:** Greece, Ireland, Italy, Japan, Spain
- **FRENCH FRIES:** South Africa

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OCEANA LOBSTER; CALAMARI FISHING; LAMBERTS BAY FOODS

PRODUCTS

- West and south coast rock lobster
- Squid
- French fries

REVENUE	OPERATING PROFIT before abnormal items
R374,4 million	**R23,3** million
2012: R350,4 million	**2012:** R29,5 million

LOBSTER

- Major supplier of live and frozen west coast rock lobster to Far Eastern and European markets
- Supplier of live and tailed south coast lobster to European and US markets
- Stable demand for lobster in Asia, especially China
- Only supplier in South Africa to develop nitrogen-frozen sashimi grade lobster for the Japanese market
- Operates nine west coast vessels and one on the south coast
- Two lobster facilities producing live and frozen lobster
- Contracts with independent rights holders

SQUID

- Fleet of five freezer vessels, and contracts with independent vessel owners
- Packing and cold storage facilities in Port Elizabeth
- Operates individual quick-freeze packing facilities on board vessels
- Produces squid for export, mainly to Spain and Italy

FRENCH FRIES

- Factory situated in Lambert's Bay – one of only three French fries factories in South Africa
- Largest single employer on the west coast north of St Helena Bay
- Supplies quick service restaurants (QSR)
- Marketed under Gold Seal brand and supplied to retail sector through various house brands and the QSR brands
- National sales and marketing infrastructure

9 west coast lobster vessels
1 south coast lobster vessel
2 lobster facilities
5 freezer vessels for squid
1 french fries processing plant

HORSE MACKEREL AND HAKE

HORSE MACKEREL

- Product is in high demand as an important source of protein in domestic and foreign markets, including South Africa, Namibia, Cameroon, Angola, Mozambique, Democratic Republic of Congo, Zambia and Zimbabwe
- Fleet of four horse mackerel trawlers; three in Namibia and one in South Africa
- Resource stocks in South Africa and Namibia are healthy

HAKE

- Four hake freezer trawlers
- International markets include France, Spain, Portugal, the Netherlands, Australia, Korea and Italy
- Resource stocks are healthy, and the fishery is accredited by Marine Stewardship Council

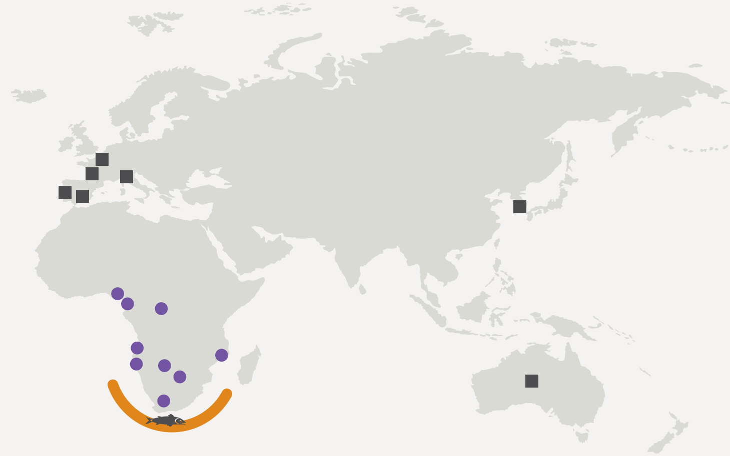
1 horse mackerel trawler in South Africa

3 horse mackerel trawlers in Namibia

4 hake freezer trawlers

MARKET

- **HORSE MACKEREL:** Angola, Cameroon, Democratic Republic of Congo, Mozambique, Namibia, Nigeria, South Africa, Zambia, Zimbabwe
- **HAKE:** Australia, France, Italy, Korea, Netherlands, Portugal, Spain



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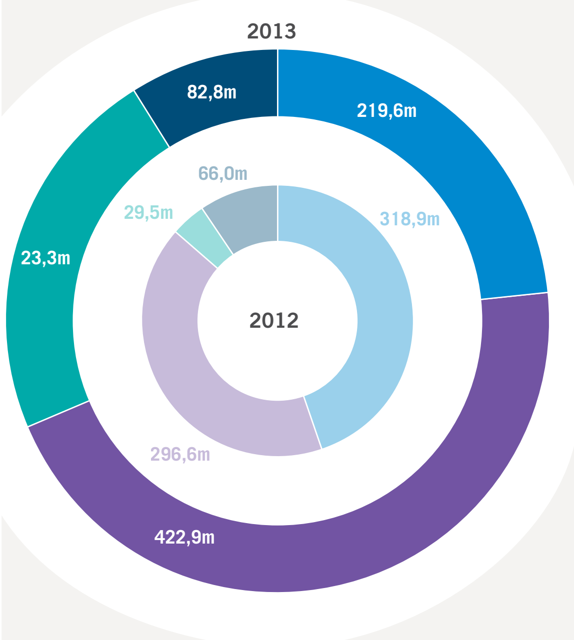
REVENUE	OPERATING PROFIT before abnormal items
R1,64 billion	**R422,9** million
2012: R1,44 billion	**2012:** R296,6 million

BLUE CONTINENT PRODUCTS

PRODUCTS
- Horse mackerel
- Hake
- Monk
- Kingklip



OPERATING PROFIT PER BUSINESS SEGMENT (R)

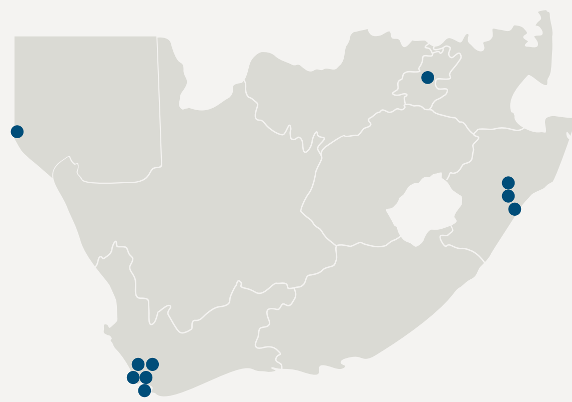
CCS LOGISTICS

COLD STORAGE AND FRUIT HANDLING FACILITIES

- Ten stores in South Africa and Namibia
- Capacity in excess of 110 000 pallets for cold storage
- Major products stored and handled include fish, poultry, meat, vegetables and fruit
- Sterilised fruit facility meets the standards of the South African Perishable Products Export Control Board, the protocols of China and the Japanese Produce Quarantine standards
- Infrastructure, location and capabilities provide a platform for increased value-addition in the refrigeration supply line

FACILITY

- **COLD STORAGE:** Namibia, South Africa



10 stores in South Africa and Namibia

110 000 pallets for cold storage

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REVENUE	OPERATING PROFIT before abnormal items
R326,3 million	**R82,8** million
2012: R279,8 million	**2012:** R66,0 million

CCS LOGISTICS

SERVICES
- Cold storage
- Fruit handling
- Blast freezing
- Transport

HOW WE CREATE VALUE

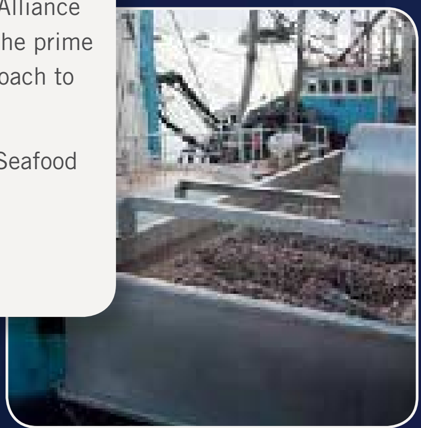
This diagram provides a high-level overview of how Oceana creates value: it outlines the key phases in our value chain, identifies some of the critical resources and relationships that impact value, and show how these relate to our strategic objectives.

SECURE FINANCIAL CAPITAL FROM INVESTORS

- Provide investors with consistent delivery of good dividends and returns, smooth earnings profile, clear growth and capital expansion strategy, and responsible corporate governance practices

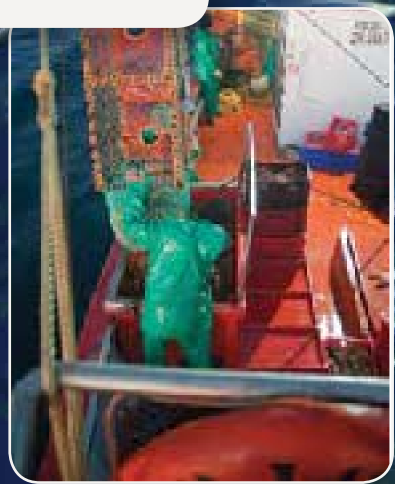
ENSURE THE PHYSICAL AVAILABILITY OF FISH STOCKS

- Support government research activities and fisheries scientists, and ensure responsible fishing practices
- Founder member of Responsible Fisheries Alliance (RFA), with WWF and business peers with the prime objectives of enhancing an ecosystem approach to fisheries management
- Support the Southern African Sustainable Seafood Initiative (SASSI)
- Hake trawl fishery certified by the Marine Stewardship Council (MSC)



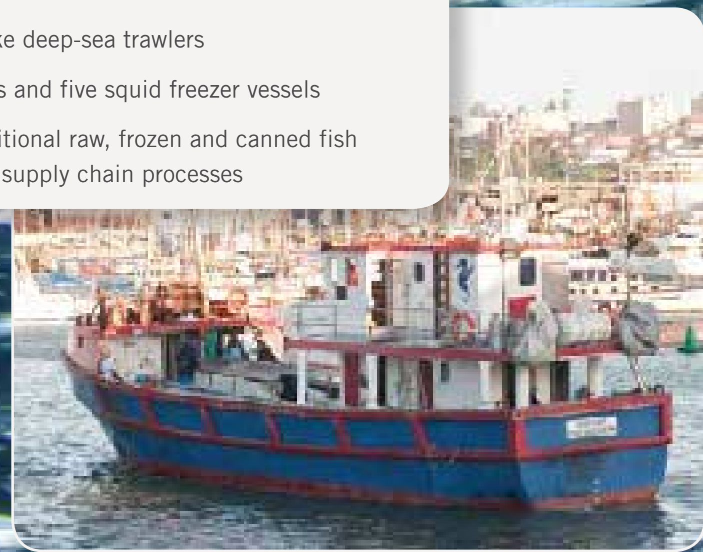
SECURE ACCESS TO FISHING RIGHTS

- Hold satisfactory levels of fishing rights across each existing business area
- Plans in place to maintain and grow these rights, including through partnership and acquisition
- Ensure effective delivery on government expectations regarding compliance, transformation and localisation
- Maintain our rights by showing our ability to convert these rights into value for all our stakeholders



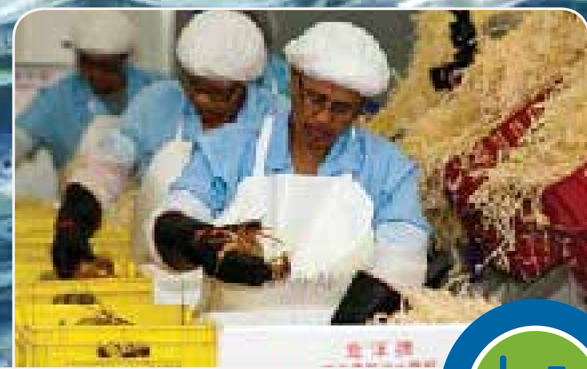
LAND AND SOURCE AVAILABLE STOCK EFFICIENTLY

- Ensure effective and efficient fishing practices by optimising our operations: management, staff and fleet
- Our fleet comprises:
  - Five inshore purse-seining refrigerated seawater vessels for pilchard
  - Seven inshore purse-seining vessels for pelagic fish
  - Four sea frozen horse mackerel midwater trawlers
  - Four sea frozen hake deep-sea trawlers
  - Nine lobster vessels and five squid freezer vessels
- Efficiently source additional raw, frozen and canned fish through sophisticated supply chain processes



MAINTAIN REPUTATION IN THE COMMUNITY

- Responsive to interests of communities and stakeholders through established engagement processes
- Consolidated corporate social expenditure at group level to ensure clear focus on education and food security



OPTIMISE MANUFACTURING, PACKAGING AND BUSINESS PROCESSES

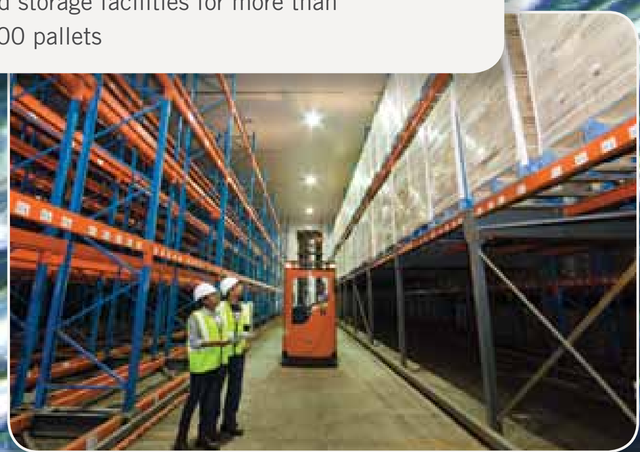
- Provide a stimulating, culturally diverse and healthy working environment to attract, retain and develop talent
- Operate effective onshore processing and canning operations
  - Two canneries and three fishmeal processing plants
  - One French fries factory
  - Two lobster plants

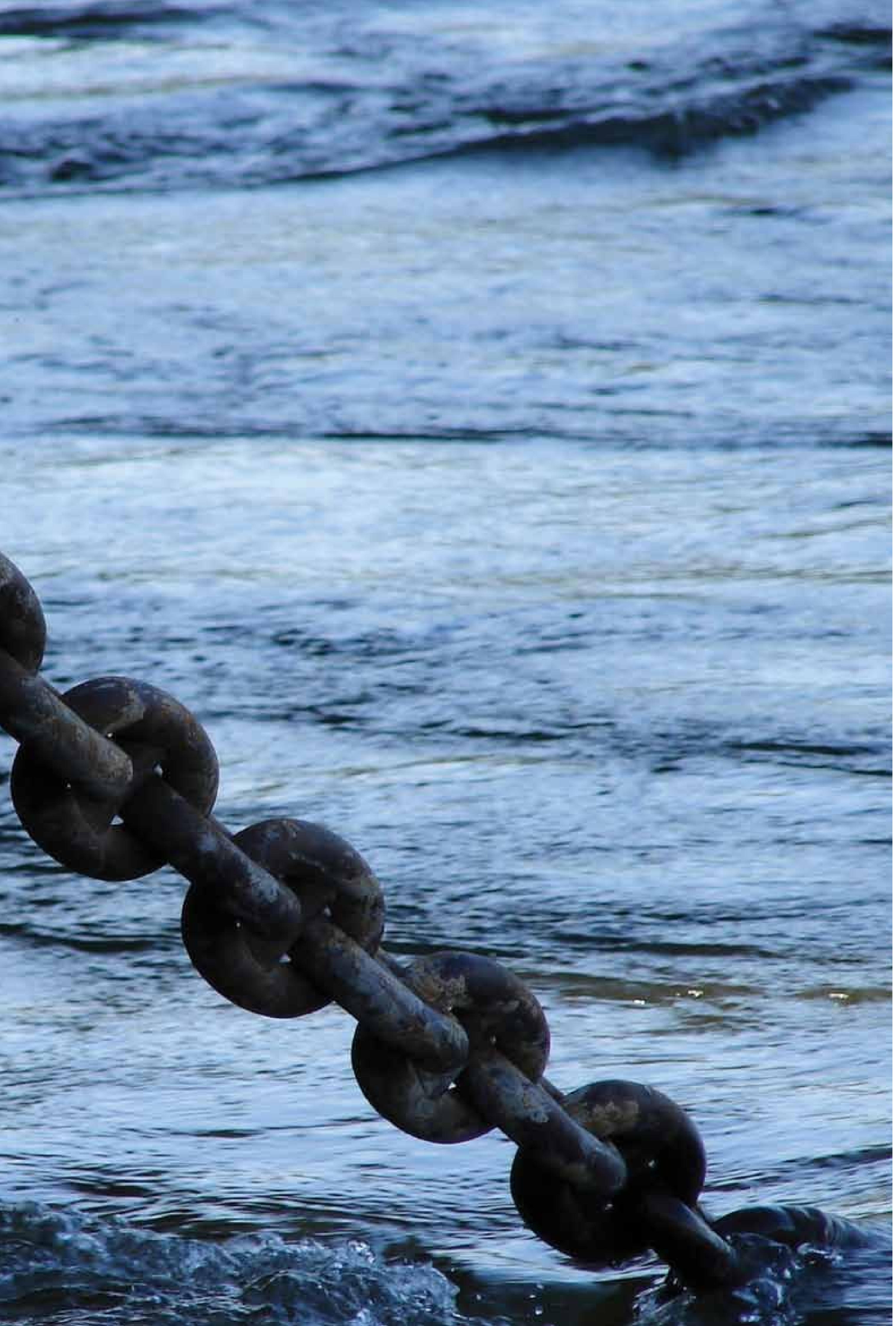
EFFICIENT STORAGE AND DISTRIBUTION FACILITIES

- Maintain own cold storage and logistics operation supported by effective supplier relationships
  - 10 cold storage facilities for more than 110 000 pallets

EFFECTIVE PRODUCT MARKETING AND BRANDING

- Deliver live, frozen, canned and dried products to consumers in diversified global markets across consumer segments
- Customers and consumers include individuals, retailers, wholesalers, importers, exporters, restaurants, food producers, feed manufacturers and pet owners
- Meet customer expectations through developing categories, competitive pricing, continuity in supply, product information, and the provision of healthy, quality, branded product that is responsibly sourced
- Lucky Star is the most respected canned fish product in Southern Africa





WHAT IMPACTS ON VALUE CREATION

Our core purpose is to be Africa's most efficient converter of fishing rights into value. To deliver effectively on this core purpose, we need to understand and be responsive to the issues that impact our ability to create value from our fishing rights.

Oceana derives most of its revenue through the delivery of live, chilled, frozen and canned fish products to a range of consumers in diversified global markets and across most consumer segments (see page 12). At a simple level our ability to generate revenue depends primarily on the volume of product we sell, and the differential between the price at which we sell the product and the cost of accessing and distributing the product.

Currently we create the greatest value through Blue Continent Products (horse mackerel and hake) and Lucky Star (canned fish and fishmeal) (see page 16). The majority of sale revenues (69%) come from South Africa and Namibia, followed by markets in Southern and West Africa, Europe and the Far East. While the group's principal market for fish is the lower-income consumer (through sales of canned fish and horse mackerel, mainly to Africa), we also sell product aimed at the middle to upper-income consumer (hake, lobster and Lucky Star's premium products).

The following table presents a high-level overview of some of the issues that impact volume of product sold, the price at which we can sell the product, and the cost of producing and distributing the product. The focus is on our fishing business which is our core generator of revenue. This is supplemented by the activities of CCS Logistics.

ISSUES IMPACTING VALUE	THE BUSINESS CONTEXT	OUR RESPONSE MEASURE AND STRATEGIC RESPONSE
Volume of sale		
Nature of consumer demand for fish	The size of the market (number of purchasers)	We believe that the provision of a low-cost, low-footprint, healthy source of protein offers significant opportunities for sustained value creation. There is an increasing demand for seafood across the globe, with particular growth potential in the expanding lower-LSM (living standards measure) consumer segment. We are focusing most of our growth activities on meeting the demands of a growing population and increasing consumer market in Africa.
	The nature of changing market conditions on the availability of consumers' disposable income	The recent market downturn has resulted in a reduction in disposable income, generally impacting consumer spend negatively. Countering this is the general growth in consumer markets throughout Africa. Our primary revenue stream is derived from the delivery of product to the lower-end consumer. We see significant further potential in this market. To minimise the potential for earnings volatility resulting from concentration of earnings in a particular business unit, we have identified opportunities to further diversify our product and consumer base, for example by expanding into upper LSM markets through the Lucky Star's premium products and growing the hake business.
	Nature of consumer preference for alternative protein options, such as chicken	The consumer's choice of protein is a function of issues such as changing consumer preferences and the price of competitive alternatives such as chicken. We seek to grow the market for fish through product advertising and marketing on the benefits of consuming fish. We also monitor and respond to any potentially unfair trade practices.
Nature of consumer demand for Oceana's products	Ability to distinguish our products through our core branding	In addition to seeking to grow consumer demand for fish, where feasible we focus on developing and maintaining a strong brand presence in our markets, particularly through our Lucky Star brand.
	Building customer loyalty for our products, based on a positive relationship with customers and distributors	Where there is less potential for brand differentiation in our product (such as horse mackerel) we focus on opening up access to markets through our strong relationships with committed distribution networks in various African markets. In addition, we work on maintaining positive relationships with our customers and consumers – including individuals, retailers, wholesalers, importers, exporters, restaurants, makers of food products, balanced-feed manufacturers, and pet owners.
	Ensuring sustained access to fish (catch and procurement)	As a commodity-based business, ensuring access to sustainable marine resources is fundamental to securing and growing the business over the short, medium and long term. Access to marine resources is impacted by several variables, including in particular: the overall strength of biomass and the seasonal availability of marine resources; the nature of the regulatory regime for managing and allocating access rights; and the group's ability to land and source potentially available marine resources. Our approach to managing these risks is reviewed on page 22 and throughout this report.
	Nature of our position in the market and ability to grow business opportunities	Our ability to increase sales volumes is affected by our general market position relative to our competitors. Issues impacting this include our ability to maintain access to fishing rights (reviewed below), as well as our capacity to grow the business through acquisition. For certain fish categories (such as horse mackerel) barriers to market entry are high as it requires significant capital investment in fleet, while in other areas (such as lobster) barriers to entry are low.

ISSUES IMPACTING VALUE	THE BUSINESS CONTEXT	OUR RESPONSE MEASURE AND STRATEGIC RESPONSE
Price of product		
Global commodity dynamics	The price of some of our products (e.g. horse mackerel) is primarily a function of global supply and demand for fish	In our more commodity-driven businesses if there is a decline in global supply, but local resources are healthy (as was the case this year with horse mackerel) then we benefit from the premium in sales. Countering this is the impact on cost of global procurement of any affected fish resources. Our risks are mitigated by maximising the local catch, promoting sustainable local fishing practices, and ensuring a diversified set of product offerings.
Cost of product	In some instances the price charged is a function of the efficiency through which we land and procure fish	Our approach to managing product costs is reviewed in more detail below.
Branding	In some instances the product price also provides for its additional brand value	We focus where feasible on developing and maintaining a strong brand presence in our markets, particularly through our Lucky Star brand.

ISSUES IMPACTING VALUE	THE BUSINESS CONTEXT	OUR RESPONSE MEASURE AND STRATEGIC RESPONSE
Cost of product		
Costs of landing and sourcing fish	Cost of local catch	Once we have secured our permit allocations, we need to ensure that we have sufficient capacity to land our allocated fishing rights as cost-effectively as possible. Through our strong fleet and crew, our effective and efficient fishing practices, and our strong focus on employees, the group has demonstrated its ability to land its allocated quota efficiently. We constantly strive to ensure that our fleet operates at full capacity to avoid the costs associated with unproductive assets.
	Securing cost-effective access to global fish supplies	Supported by an increasingly complex and lengthy supply chain process, and well-developed relationships with critical suppliers, the group has demonstrated its ability to source additional raw, frozen and canned fish efficiently.
Supplier costs	Cost and availability of supplies and services	We have well-developed local and global procurement processes and strive to maintain positive relationships with our suppliers of goods and services, including vessels, gear, fish and fish products, plant machinery, ingredients, cans, packaging, transport, banks, suppliers of financial and advisory services and independent contractors
Processing and distribution	Cost of processing and distribution	We constantly strive to optimise the efficiency of our processing and distribution activities, through efficient procurement, effective human resource processes, a strong focus on internal efficiency (e.g. reducing energy and water use), and the development and maintenance of effective relationships with committed distribution networks
Financial capital	Securing access to financial capital	Current and prospective shareholders provide the financial capital needed to grow and sustain the business. They seek security of investment, optimal earnings and distributions, and evidence of the potential for long-term real growth in performance, based on responsible good governance practices. We maintain positive relations with our investors through our consistent delivery of good dividends and returns, our good corporate governance practices and a clear strategy.

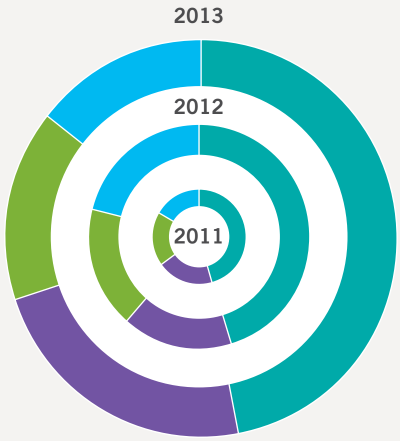



HOW WE SHARED VALUE IN 2013

Oceana's core purpose is to be Africa's most efficient converter of fishing rights into value.

Examples of how the group shared the value that was generated through our efficient and sustainable conversion of the fishing rights that have been granted to us are reflected below.

ECONOMIC VALUE ADDED



%	2013	2012	2011
Employees	**47,1**	45,3	45,8
Finance providers	**22,9**	16,3	19,3
Government	**15,7**	17,4	18,4
Reinvested	**14,3**	21,0	16,5

SUPPLIERS

- **R3,3 billion** spent on procurement in South Africa and Namibia
- **5 045** suppliers contracted to provide direct services to Oceana's operations

PROVIDING VALUE FOR OUR REGULATORS

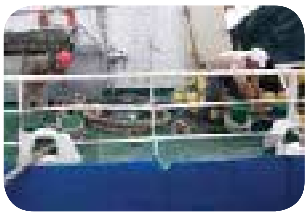
- **R320 million** paid in taxes in South Africa and Namibia

INVESTING IN OUR EMPLOYEES

- **R576,8 million** paid in salaries and **R51,6 million** in employee benefits
- **2 756** direct jobs in South Africa
- **519** direct jobs in Namibia
- **2 706** employee beneficiaries have **13,9 million** shares in Oceana through the Oceana Empowerment Trust
- Average allotment per employee has appreciated from R30 380 in 2007 to **R386 248** in 2013
- **R12,8 million** invested in employee skills development (**88%** on black employees)
- **431** seasonal workers provided with provident funds for the full year

GENERATING RETURNS FOR OUR PROVIDERS OF FINANCIAL CAPITAL

- **R381 million** paid in dividends



PROVIDING CUSTOMERS WITH VALUE

- **3 million** Lucky Star meals consumed per day
- **115 988 tons** of Oceana Horse Mackerel exported to **8** African countries

PROMOTING TRANSFORMATION IN SOUTH AFRICA

- **54,9%** black ownership in Oceana
- **63,6%** of Oceana's board of directors are black
- **30,3%** of senior managers, **60,8%** of middle managers, and **81,8%** of junior managers are black
- **R17,4 million** invested in skills development in 2013
- **R1,4 billion** spent on preferential procurement with **1 987** BEE suppliers
- **R29,9 million** spent on enterprise development
- **R3,3 million** invested in socio-economic development initiatives with black beneficiaries

> "Oceana rated as the second most transformed listed company in South Africa"
>
> *(Mail & Guardian)*

SUPPORTING VIABLE LOCAL COMMUNITIES

- **227** jobs provided in Lambert's Bay, paying **R35,8 million** in wages
- **R3,3 million** invested by the Oceana foundation in communities in the Western and Eastern Cape
- **45** jobs provided in 2013 during the off-season on maintenance and refurbishment of boats and equipment
- Numerous partnerships established with local small-scale fishermen

ENHANCING VALUE THROUGH ECONOMIES OF SCALE

Our ability to convert fishing rights into value is greatly facilitated by being a large player in the sector

- Economies of scale are needed to operate a capital-intensive fishing fleet that has sufficient range and capacity
- Fewer well-resourced and efficient operators facilitate more effective regulatory monitoring and compliance
- The diversity of operations and activities within a larger group ensures greater resilience in the context of cyclical fishing patterns and market volatility, facilitating the sustained provision of benefits to employees, service providers and neighbouring communities
- Enhanced efficiencies enable a more cost-effective contribution to food security through the provision of low-cost protein

GROUP MATERIAL RISKS

The principal risks that have a material impact on Oceana's ability to create value are described below. These risks have been identified as part of the enterprise-wide risk identification and management system, described in the Governance section of this report (page 98).

(1) Inability to acquire fishing rights impacting growth strategy

Our risk context >

- Transfer of rights policy requirements not in-line with B-BBEE Act
- Not obtaining Competition Commission approval for acquisitions (where applicable due to size)

Our response measures >

- Active engagement with DAFF and MFMR to ensure policy aligned with B-BBEE Act
- Relying on joint venture and supply partners to increase volumes
- Monitor proposed policy and legislative changes
- Engage with government on the proposed policy and legislative developments

(2) Reallocation of fishing rights after expiry

Our risk context >

- Long-term rights period expires this year (squid sector) and in other sectors within two to seven years
- Material changes to government directives and policy
- Possibility of reallocation of fishing rights to small-scale fishers

Our response measures >

- Monitor legislative and policy changes
- Engage directly with government and parliament on proposed policy and legislative developments
- Participate in consultation and policy development processes with government, business and labour bodies
- Ensure policy direction is communicated to operations and appropriate plans developed to ensure full compliance

(3) Food safety

Our risk context >

Potential non-adherence to quality or safety standards locally and in our sourcing geographies

Our response measures >

- Implement systems to maintain quality and safety
- Engage third-party auditors to ensure imported products comply with relevant standards
- Product recall processes and insurance cover in place
- Implement proactive media engagement strategy
- Best practices hygiene and quality in catching and manufacturing (HACCP)

(4) Reputational risk

Our risk context >

The group faces potential reputational risk associated with perceptions (valid or otherwise) relating to market size, level of transformation and localisation, and impact neighbouring communities and on the sustainability of marine resources.

Continuing need to maintain current very strong brand recognition and loyalty in Lucky Star and related brands.

Our response measures >

- Prioritised stakeholder communication and engagement strategy in place, confirming Oceana as a black-owned, black-controlled company with sound values, a solid track record of compliance, and demonstrated commitment to social and environmental responsibility
- Ensure effective communication and engagement on activities relating to sustainable fishing, and contribution of fish in addressing food security as a low cost, low footprint, healthy source of protein
- Implement strategic social investment programme aimed at delivering benefits to neighbouring communities, with focus on education and food security
- Maintain positive relations with investors through consistent dividends and returns, a smooth earnings profile, and clear growth and capital expansion strategy
- Active monitoring programme in place to maintain strong brand value and customer loyalty

(5) Concentration of earnings

Our risk context >

Concentration of earnings in a particular business unit exposes the group to increased earnings volatility.

Our response measures >

- Focus on acquisitive and organic growth to diversify the portfolio, building on recent acquisitions that have bolstered the smaller business units, and maintaining efficient operation of existing business activities

(6) Business continuity risk operations

Our risk context >

Specific risks include the potential loss of vessels, impaired performance in group factories and cold stores, loss of head office operations and IT infrastructure, and volatility in the cost and access of utility supplies, particularly energy and water.

Our response measures >

- Contingency plans in place to manage potential loss of factory or cold store
- Maintain IT disaster recovery plan and insurance policy

(7) Legislative non-compliance

Our risk context >
As a highly regulated industry, the group needs to maintain systems and skills to track, interpret and ensure compliance with legislative requirements.

Our response measures >

- Engage with regulators through industry associations and personally by executive committee members
- Comprehensive internal legislative compliance management systems in place
- Monitor and respond to recent legal developments

(8) Exposure to market and exchange rate volatility

Our risk context >
Impacted by movements in global market. Volatility in rand/US dollar rates creates volatility in earnings.

Our response measures >

- Manage a hedging policy on forward cover
- Natural business hedge flowing from group's different import and export activities

(9) Inadequate quality and quantity of talent and skills

Our risk context >
Capacity to ensure continued growth impacted by the availability of skills in the market, and ability to attract, develop and retain talent.

Our response measures >

- Policies and guidelines in place for talent management, recruitment selection, remuneration, training and skills development, and employment equity.
- Succession planning process in place
- Zero tolerance policy in place on any form of harassment or discrimination

(10) Risks to the health and safety of employees

Our risk context >
Inherent safety risks associated with activities on board fishing vessels and in factories

Our response measures >

- External and internal audits on all sites and vessels.
- Effective safety monitoring, training and enforcement programmes
- Provision of appropriate equipment

Residual risk (ranked in order of risk) – 2013

1	Inability to acquire fishing rights impacting growth strategy
2	Reallocation of fishing rights after expiry
3	Food safety
4	Reputational risk
5	Concentration of earnings
6	Business continuity risk operations
7	Legislative non-compliance
8	Exposure to market and exchange rate volatility
9	Inadequate quality and quantity of talent and skills
10	Risks to the health and safety of staff

Residual risk (ranked in order of risk) – 2012 (showing the movement in 2013)

1	Reduced volume of fish stocks available to the group
2	Inability to execute growth strategy domestically (organic growth or acquisition)
3	Reputational risk
4	Business continuity risk operations
5	Food safety
6	Concentration of earnings
7	Legislative non-compliance
8	Exposure to market and exchange rate volatility
9	Inadequate quality and quantity of talent and skills
10	Risks to the health and safety of staff

RESPONDING TO OUR STAKEHOLDERS

Understanding and being responsive to the interests of our stakeholders is critical to delivering on our core purpose: being Africa's most efficient converter of fishing rights into value. Establishing stakeholder relationships based on trust is fundamental to our ability to create value. The following table presents an overview of our main stakeholder groups, summarises the main outline of our approach to listening and engaging each of these groups, and describe the channels of engagement and the principal issues raised. We also briefly review our response to these issues.

IDENTIFYING AND RESPONDING TO STAKEHOLDER INTERESTS

Stakeholder group	Our engagement activities	Main issues raised	Our response
Government and regulatory authorities	• Face-to-face meetings with relevant representatives • Written communication • Ongoing advocacy work through industry bodies and directly • Engagement with parliamentary portfolio committees	• Full compliance with permit and related requirements • Contribution to developmental priorities such as transformation/localisation, job creation, skills development, and food security • Contribution to tax and trade balance	• Clear designation and appointment of executive and management responsibility for engagement and compliance • Regular direct engagement with authorities • Strong focus on transformation/localisation, and on appropriate distribution of value generated • Formal policies and operating procedures, with internal audits, training and reporting, to facilitate compliance • Prompt response in instances of non-compliance, with disciplinary action as required • Enhanced communication through advertising, events
Shareholders and investors	• Annual general meeting • Presentations and roadshows • Integrated report • Media releases	• Consistent delivery of dividends and returns, smooth earnings profile, clear growth and capital expansion strategy • Responsible corporate governance	• Strong board and executive leadership. Good corporate governance practices • Succinct reporting through SENS, website, hard copy and presentations • Enhanced communication via advertising, face-to-face engagement, events and increased media coverage
Employees	• Newsletters and posters • Group intranet • Shop-floor briefings • Internal performance reviews • Management roadshows	• Safe, healthy and congenial working conditions • Market-related terms of employment and remuneration • Job security, satisfaction and recognition • Opportunities for skills acquisition, career development and empowerment • Employee benefits, pension and provident funds, health awareness, life skills	• Group code of business conduct and ethics, and board-approved employment equity targets • Compliance with employment legislation and B-BBEE codes • Skills training and development • Reporting through employees associations and *Oceana Tidings* (corporate printed publication), SharePoint, electronic bulletins, face-to-face engagement and events
Trade unions South Africa: FAWU, TALFU, NCFAWU, UDF and CWU	• Personal engagements at appropriate executive and management level • Participation in industry bodies • Shop-floor briefings	• As above (for employees) • Willingness to negotiate in good faith	• Recognition agreements • Wages and conditions negotiated through industry bodies and/or relevant unions at plant level • Regular communication through employee forums • Disciplinary and grievance procedures
Customers and consumers	• Customer meetings and site visits • Conferences • Business association meetings	• Providing safe, essential and quality products at competitive prices • Continuity of supply • Product information	• Regular direct contact with major customers, locally and abroad • Independent audit and checking of processes and quality; market and customer surveys; group and divisional websites with product information, contact details and helpline numbers • Prompt attention to and follow-up of enquiries and complaints

Stakeholder group	Our engagement activities	Main issues raised	Our response
Suppliers and service providers	• Supplier relationship management programme with identified strategic suppliers • Supplier meetings and site visits	• Promoting joint growth opportunities in a responsive and mutually respectful manner • Timely payment and favourable contract terms • Commitment to and progress in furthering B-BBEE procurement	• Regular direct communication with major suppliers • Group-wide code business conduct and ethics, with supplementary policies • Qualified and experienced management with appropriate skills to negotiate, conclude and manage contracts and relationships • Monitoring B-BBEE procurement levels of suppliers and partners • Formal procedures in place for handling of queries and complaints • Preference for expeditious and practical dispute resolution
Local communities, and NGOs	• Public and personal meetings with community and NGO representatives • Various multi-stakeholder initiatives and partnerships. • CSI initiatives	• Operations conducted in a safe and lawful manner • Access to job and supplier opportunities • Investment in community infrastructure • Responsive to concerns and effects (e.g. odour) • Contributing responsibly and transparently to broader societal interests	• Strengthened our consultation and communication with local communities, schools and local government through formal and informal processes • Ensured more effective co-ordination of our CSI initiatives with the aim of improving the socio-economic conditions within the coastal communities in which we operates. • Prompt attention to dispute resolution
Other businesses and business bodies	• Business body memberships • Participation in meetings and initiatives	• Contributing responsibly and credibly to the collective business voice	• Fishing industry body, FishSA, created to address and respond to issues of mutual concern • Participation in and membership of relevant industry bodies and associations, for example, Responsible Fishing Alliance (RFA); West Coast Rock Lobster Association; SADSTIA, SAPFIA, SASMIA, MTA, Global Cold Chain Alliance
Media	• Media releases and briefings	• Receipt of quality information of interest to stakeholders and public • Integrity and promptness in responding to queries • Accessibility in engaging • Supporting media's role through advertising	• Improved proactive communication through face-to-face engagement • Terms of the Oceana Group code business conduct and ethics • Comply with JSE and NSX rules • Informative, updated websites, including JSE SENS announcements • Invitation to media to attend events, press releases • Responding to media queries in a timely and appropriate manner

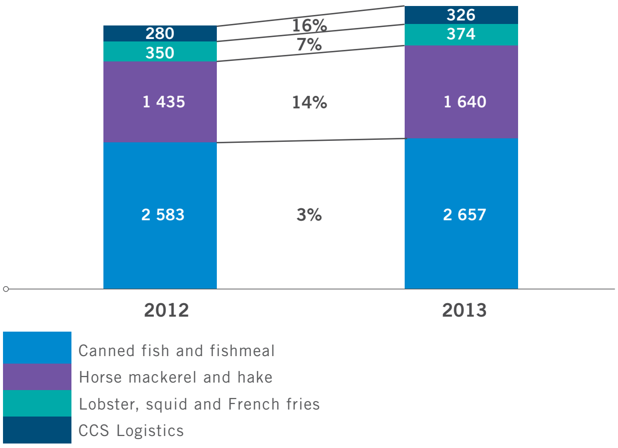
OCEANA'S FINANCIAL PERFORMANCE IN 2013 BEARS TESTAMENT TO THE STRENGTH OF OUR DIVERSIFIED PORTFOLIO.

View more information on our website: **www.oceana.co.za**

FINANCIAL PERFORMANCE

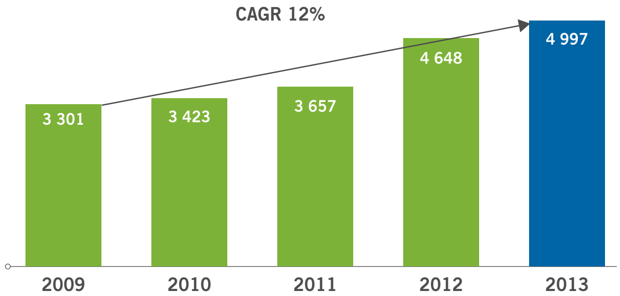
Group revenue has improved by 8% to R4 997 million in 2013. This growth was achieved through improvements in each of our four operating segments, but primarily driven by growth of 14% in the horse mackerel and hake division, as illustrated below:

REVENUE BY SEGMENT (Rm)

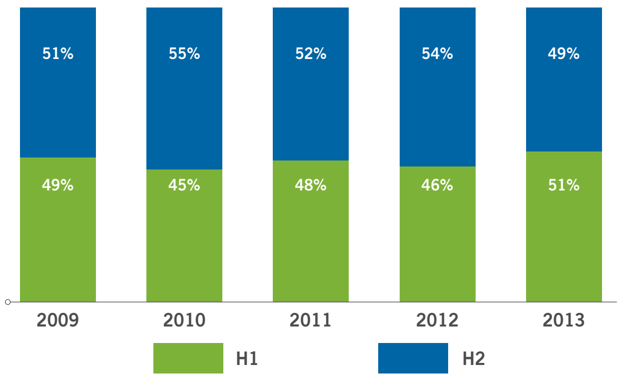


Revenue growth in 2013 was stunted by a significant decline in canned fish demand, particularly in the second half of the year, coupled with below par industrial fish landings for the full period compared to 2012. (This is explained in detail in the canned fish and fishmeal operational report on page 38.) As a result strong revenue growth in the first half of the year has been diluted by revenue decline in the second half of the year. This is in contrast to our traditional revenue mix as illustrated below.

GROUP REVENUE (Rm)



FIVE-YEAR REVENUE CONTRIBUTION LEVELS FOR H1 AND H2

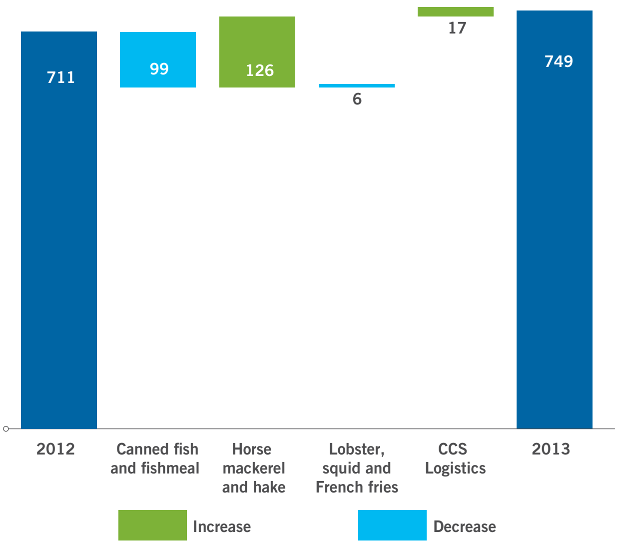


Operating costs, in general, were controlled well during the year under review. Included in these costs is a charge to the income statement of R152,4 million, compared to R75,6 million in 2012 arising from the estimated fair value and cash-settled cost of equity share options. This increase, which is a direct result of the significant improvement in Oceana's share price, had a material impact on the operating profit for the year.

Operating profit before abnormal items is R748,7 million increasing by 5% on 2012. This represents an operating margin of 15,0% compared to 15,3% in the prior period. Operating profit in the second half of the year, in particular, was materially impacted by all of the abovementioned factors and can be illustrated as follows:

MARGINAL GROWTH IN THE CANNED FISH AND FISHMEAL SEGMENT UNDER TOUGH ECONOMIC CONDITIONS HAS BEEN SUPPLEMENTED BY SIGNIFICANT GROWTH IN THE HORSE MACKEREL AND HAKE BUSINESS.

OPERATING PROFIT DIVISION CONTRIBUTION ANALYSIS (Rm)



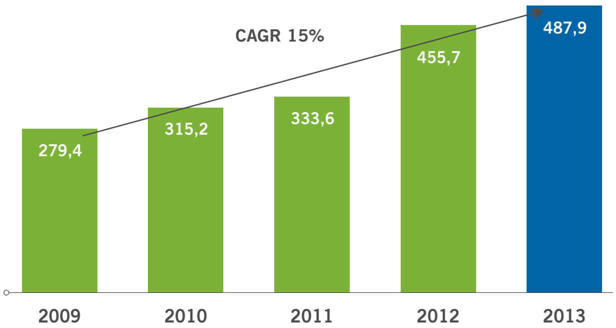
Net investment income includes accrued preference share dividends and net interest received. The preference share dividends, which were in line with the prior year, were earned through Oceana's investment in Oceana SPV Proprietary Limited. The details of this investment can be found in note 13 of the annual financial statements (AFS).

Net interest paid has increased over the prior year due to lower average cash balances throughout the year, resulting from the impact on revenue of canned fish and fishmeal volumes as discussed above.

The group's effective tax rate, excluding the effect of the abnormal item and secondary tax on companies (STC), was in line with the prior year. The effective tax rate is influenced by the mix of profits taxable at the South African rate of 28%, and the Namibian rate of 34%. A reconciliation of the group's effective rate to the South African company income tax rate can be found in note 7 of the AFS.

Basic headline earnings per share of 487,9 cents are 7% above those of 2012, representing a four-year compounded annual growth of 15% as reflected below.

HEADLINE EARNINGS PER SHARE (cents)



FINANCIAL POSITION

Our financial position remains strong despite a substantial increase in working capital requirements in the second half of the year resulting from a slowdown in local demand.

Inventory levels have increased significantly during the period as a combined result of planned procurement of canned fish to satisfy anticipated domestic demand, exacerbated by a market-wide decline in protein consumption levels in the second half of the year. This resulted in an increase in our net working capital needs by more than 30%.

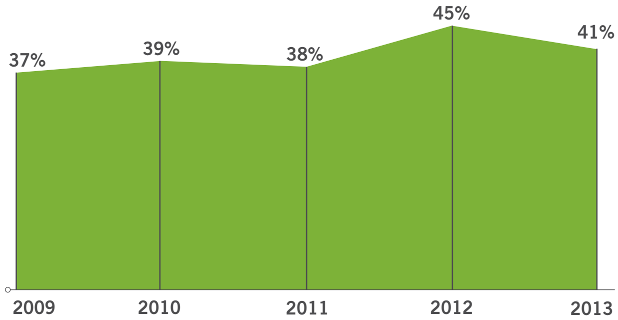
Net cash balances at 30 September 2013 have reduced to an overdraft of R170,0 million compared to favourable cash balances of R231,6 million at the same time last year. We have no long-term debt at year-end.

Our strong financial position places us well to access long-term debt or equity capital to pursue growth opportunities when they arise, as well as deal with emerging economic pressures. Overall, our capital structure is suitable and sufficient for current and expected requirements.

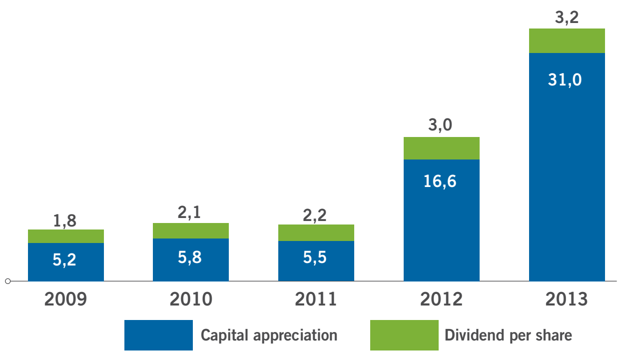
DELIVERING VALUE TO STAKEHOLDERS

We return value to our shareholders in the form of both dividends and share price appreciation. In addition, we have a strong record of exceptional returns on net asset value.

RETURN ON NET ASSETS



CAPITAL APPRECIATION AND DIVIDEND PER SHARE



Our dividend declaration has been preceded by consideration of anticipated operational and financial requirements and after applying the solvency and liquidity tests. We remain comfortable with a cover of 1,5 times on headline earnings and have declared a final dividend per share of 222 cents which brings the total for the year to 322 cents, representing an improvement of 7% on 2012.

ISSUES GOING FORWARD

In light of the prevailing economic environment our ability to extract further domestic volume growth will come under pressure. To deliver continually improving operational performance, management will place focus on efficiency of operations and maximised deployment of fishing resources, particularly in divisions that yielded lower than expected returns in the current period.

Working capital management will remain a focus area. Procurement of canned fish from foreign suppliers, which has a six-month lead time, was cut-back to compensate for current inventory levels. We anticipate that this will have a positive effect on working capital during the second half of the year, once the lead time effect has been taken into account. The group has short-term borrowing arrangements in place with major banks to cover seasonal periods of indebtedness.

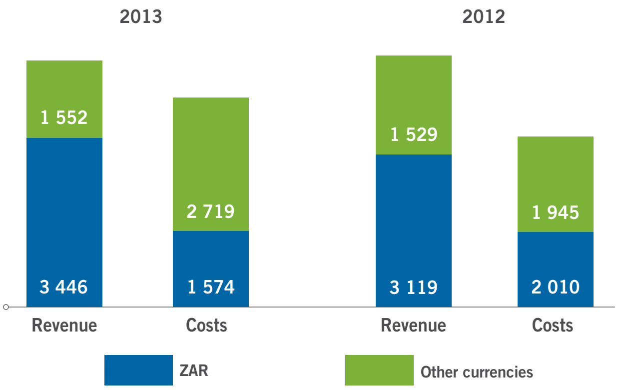
Oceana's acquisition of Foodcorp's fishing business, if approved, will be funded from long-term loan facilities. This will have an impact on our debt levels in the short term. We remain in a strong position to leverage our statement of financial position for further acquisition if necessary.

KEY FINANCIAL RISKS

Oceana has significant volumes of imports and exports. Exchange rate risk is managed through awareness in the organisation of the currency risk related to foreign transactions. The group has a formal foreign exchange policy approved by the board which guides currency risk management carried out by the business units in conjunction with the central treasury department.

Currency risks are partially hedged by means of forward exchange contracts and the set-off effect of foreign currency assets and liabilities. The group does not enter into derivative contracts for speculative purposes. The graph below illustrates the set-off effect of foreign currencies within the group.

FOREIGN CURRENCY



Note 28 of the AFS provides information on the group's foreign currency balances and exposures at year-end.

Trading in certain African countries involves a relatively higher degree of credit risk as the conventional means of risk management are not always available. A cautious approach is followed to limit exposure. Oceana's accounting policy requires revenue relating to sales to African markets on open account to be recognised only once the sales proceeds have been received in cash.

Note 18 of the AFS provides information on the concentration of the group's trade receivables at year-end.

ACCOUNTING STANDARDS

The group complies with International Financial Reporting Standards (IFRS). Effective from October 2013, the group is required to adopt IFRS 11: Joint Arrangements. As a result, joint ventures will be consolidated on an equity basis rather than on a proportional consolidated basis. No other accounting standards or interpretations that have been issued but are not yet effective were identified that would have a material financial impact on the group's financial statements in future.

IMRAAN SOOMRA
Group financial director

4 December 2013

STATISTICAL AND FINANCIAL DATA

	Notes	2013 R'000	2012 R'000	2011 R'000	2010 R'000	2009 R'000
Consolidated statements of comprehensive income						
Revenue		**4 997 354**	4 647 951	3 657 196	3 423 219	3 301 288
Operating profit before abnormal items		**748 679**	711 025	512 689	484 474	410 866
Abnormal items			(47 955)		(19 697)	19 329
Operating profit		**748 679**	663 070	512 689	464 777	430 195
Investment income		**16 330**	36 279	25 826	19 750	31 561
Interest paid		**(10 282)**	(3 108)	(2 872)	(5 497)	(5 600)
Profit before taxation		**754 727**	696 241	535 643	479 030	456 156
Taxation		**230 337**	232 315	189 426	175 515	148 223
Profit after taxation		**524 390**	463 926	346 217	303 515	307 933
Attributable to non-controlling interests		**33 374**	20 136	13 047	9 091	15 734
Net profit attributable to shareholders of Oceana Group Limited		**491 016**	443 790	333 170	294 424	292 199
Headline earnings		**489 325**	456 158	333 210	313 908	276 764
Consolidated statements of financial position						
Property, plant and equipment		**473 821**	435 850	415 623	364 538	352 170
Intangible assets		**102 802**	88 638	18 101	16 183	36 117
Deferred taxation		**30 360**	23 187	13 204	8 528	5 878
Investments and loans		**118 424**	142 940	153 445	151 897	140 111
Current assets		**2 169 999**	1 878 113	1 422 623	1 302 083	1 188 010
Total assets		**2 895 406**	2 568 728	2 022 996	1 843 229	1 722 286
Interest of shareholders of Oceana Group Limited		**1 728 614**	1 584 540	1 358 428	1 212 130	1 091 702
Interest of non-controlling interests in subsidiaries		**60 761**	48 702	40 923	34 340	33 994
Interest of all shareholders		**1 789 375**	1 633 242	1 399 351	1 246 470	1 125 696
Deferred taxation		**39 797**	41 843	41 669	46 900	49 829
Other liabilities		**1 066 234**	893 643	581 976	549 859	546 761
Total equity and liabilities		**2 895 406**	2 568 728	2 022 996	1 843 229	1 722 286
Consolidated statements of cash flows						
Cash generated from operations		**424 757**	456 562	729 211	416 596	293 650
Investment income received		**7 317**	25 312	14 320	6 639	16 509
Interest paid		**(10 282)**	(3 108)	(2 872)	(5 497)	(5 600)
Taxation paid		**(320 209)**	(242 588)	(169 132)	(166 234)	(138 822)
Dividends paid		**(380 934)**	(242 222)	(219 993)	(193 840)	(170 984)
Net cash (outflow)/inflow from operating activities		**(279 351)**	(6 044)	351 534	57 664	(5 247)
Cash outflow from investing activities		**(135 719)**	(153 331)	(115 827)	(87 937)	(62 429)
Cash inflow/(outflow) from financing activities		**11 797**	7 987	4 902	6 753	15 670
Net (decrease)/increase in cash and cash equivalents		**(403 273)**	(151 388)	240 609	(23 520)	(52 006)
Performance per share						
Number of shares upon which earnings per share is based ('000)		**100 302**	100 100	99 868	99 580	99 041
Headline earnings per share – basic (cents)		**487,9**	455,7	333,7	315,2	279,4
Headline earnings per share – diluted (cents)		**443,2**	419,8	312,7	299,2	271,5
Earnings per share – basic (cents)		**489,5**	443,3	333,6	295,7	295,0
Earnings per share – diluted (cents)		**444,8**	408,4	312,7	280,6	286,6
Dividends per share (cents)	1	**322,0**	301,0	220,0	208,0	184,0
Headline dividend cover (times)		**1,5**	1,5	1,5	1,5	1,5
Net asset value per share (cents)	2	**1 722,6**	1 581,1	1 359,3	1 215,9	1 099,7

	Notes	2013	2012	2011	2010	2009
Profitability		**%**	%	%	%	%
Operating margin	3	**15,0**	15,3	14,0	14,2	12,4
Return on average shareholders' funds	4	**39**	31	26	27	27
Return on average net assets	5 and 6	**41**	45	38	39	37
Return on average total assets	5 and 7	**29**	35	30	31	26
Finance						
Total borrowings as a percentage of total shareholders' funds	8	**16**	3	1	3	2
Total liabilities as a percentage of total shareholders' funds	9	**60**	55	42	44	49
Current ratio (:1)		**2,4**	2,4	2,7	2,6	2,3
Number of permanent employees at year-end		**1 848**	1 849	1 711	1 434	1 351
Revenue per employee (R'000)	10	**2 705**	2 514	2 138	2 387	2 444
Assets per employee (R'000)	7	**1 551**	1 377	1 175	1 279	1 270
Share performance						
Market price per share (cents)						
Year-end		**8 424**	5 400	3 745	3 200	2 625
Highest		**9 876**	5 999	4 050	3 425	2 800
Lowest		**5 250**	3 700	3 100	2 600	1 950
Price earnings ratio	11	**17,3**	11,8	11,2	10,2	9,4
Number of transactions	12	**22 620**	3 080	2 756	3 746	2 170
Number of shares traded ('000)	12	**23 169**	14 785	7 653	31 797	22 236
Value of shares traded (R'000)	12	**1 727 682**	673 300	280 453	923 954	520 990
Volume of shares traded as a percentage of total issued shares	12	**19,4**	12,4	6,4	26,7	18,8
Market capitalisation (R'000)	13	**10 060 712**	6 449 174	4 464 271	3 808 037	3 112 965
JSE food producers and processors index	14	**187,38**	169,51	127,98	118,15	100,00
JSE industrial index	14	**177,01**	144,74	110,43	117,14	100,00
Oceana Group share price index	14	**320,91**	205,71	142,67	121,90	100,00

Notes:

1. *Dividend declared after reporting date included.*
2. *Own shareholders' funds divided by the net number of shares in issue.*
3. *Operating profit before abnormal items expressed as a percentage of revenue.*
4. *Headline earnings as a percentage of average shareholders' funds.*
5. *Profit before taxation and abnormal items (but excluding interest paid) expressed as a percentage of average net assets or average total assets.*
6. *Net assets comprise total assets less non-interest-bearing liabilities.*
7. *Total assets comprise property, plant and equipment, intangibles, investments and current assets.*
8. *Total borrowings comprise long-term interest-bearing loans and bank overdrafts.*
9. *Total liabilities exclude deferred taxation.*
10. *Revenue divided by the number of permanent employees at year-end.*
11. *Market price per share at year-end divided by headline earnings per share.*
12. *Figures based on JSE transactions only.*
13. *Value of ordinary shares in issue at year-end price including treasury shares held by share trusts and subsidiary company.*
14. *Adjusted base 2009 = 100.*

OPERATING SEGMENT REPORT

	2013 R'000	2012 R'000	% Change	2013 R'000	2012 R'000	% Change
Business segment						
		Revenue[1]			**Operating profit**[2]	
Canned fish and fishmeal	**2 657 106**	2 582 636	3	219 646	318 941	(31)
Horse mackerel and hake	**1 639 556**	1 435 082	14	422 906	296 578	43
Lobster, squid and French fries	**374 372**	350 443	7	23 329	29 538	(21)
CCS Logistics	**326 320**	279 790	17	82 798	65 968	26
Total	**4 997 354**	4 647 951	8	748 679	711 025	5
		Total assets			**Total liabilities**	
Canned fish and fishmeal	**1 773 289**	1 362 685	30	467 077	515 752	(9)
Horse mackerel and hake	**509 979**	427 057	19	177 684	220 055	(19)
Lobster, squid and French fries	**103 930**	95 680	9	43 364	44 808	(3)
CCS Logistics	**235 608**	241 002	(2)	67 129	60 456	11
Financing	**242 240**	419 117	(42)	310 980	52 572	492
	2 865 046	2 545 541	13	1 066 234	893 643	19
Deferred taxation	**30 360**	23 187	31	39 797	41 843	(5)
Total	**2 895 406**	2 568 728	13	1 106 031	935 486	18
		Capital expenditure			**Depreciation**	
Canned fish and fishmeal	**81 475**	16 253	401	22 450	20 587	9
Horse mackerel and hake	**32 107**	16 963	89	29 666	27 940	6
Lobster, squid and French fries	**5 847**	5 477	7	5 843	5 507	6
CCS Logistics	**13 479**	31 053	(57)	30 485	32 305	(6)
Total	**132 908**	69 746	91	88 444	86 339	2
Revenue per region[3]						
		Revenue[1]				
South Africa and Namibia	**3 440 483**	3 097 288	11			
Other Africa	**981 368**	880 734	11			
Europe	**329 242**	381 716	(14)			
Far East	**211 687**	251 807	(16)			
Other	**34 574**	36 406	(5)			
Total	**4 997 354**	4 647 951	8			

1. *Revenue excludes inter-segmental revenues in South Africa and Namibia which are eliminated on consolidation amounting to: Canned fish and fishmeal R5,4 million (2012: R0,3 million), horse mackerel and hake R29,1 million (2012: R27,3 million) and CCS Logistics R30,4 million (2012: R30,5 million).*
2. *Operating profit is stated before abnormal items.*
3. *Revenue per region discloses the region in which product is sold.*

GAVIN RHODES-HARRISON

LUCKY STAR

This business unit is engaged in the small pelagic fishery mainly for production into canned fish, fishmeal and fish oil.

Lucky Star mainly markets canned fish, particularly pilchard variants, but including tuna, sardine, mackerel and mussel variants under the Lucky Star brand as well as petfood under the Lucky Pet brand. Approximately 60% of the local sales basket is made up of imported product. Lucky Star is the market leader in the canned fish category across South Africa and several other African markets. Canned fish is a key staple protein choice for Southern African consumers and is eaten in over 3 million meals every day.

Lucky Star also markets fishmeal and oil both locally and internationally, primarily into the animal feed and aqua feed sectors.

- Turnover **R2,66 billion** (2012: R2,58 billion)
- Operating profit **R219,6 million** (2012: R318,9 million)
- Canned fish (cartons)
  - produced and procured **10,6 million** (2012: 9,6 million)
  - sold **8,6 million** (2012: 8,7 million)
- Fishmeal and oil (tons)
  - produced and procured **18 721** (2012: 40 106)
  - sold **20 958** (2012: 41 968)

- **76,3%** of pilchard rights landed and **11,8%** of anchovy rights landed in South Africa
- **100%** of pilchard quota landed in Namibia
- A **26,6 m** glass reinforced plastic (GRP) purse seine with 300 m² hold capacity, equipped to target pilchard, was built

- Independent **level 2 B-BBEE** rating with a score of **91,23** compared to 93,18 in 2012
- **R843,9 million** spent on preferential procurement with BEE suppliers (2012: R683,7 million)
- **R142,7 million** spent on preferential procurement with black-owned suppliers (2012: R148,5 million)
- **R71,7 million** spent on preferential procurement with black women-owned suppliers (2012: R60,9 million)

- In spite of scientists reporting a healthy resource in terms of their acoustic abundance research, the industrial fleet had a tough year finding and landing fish.

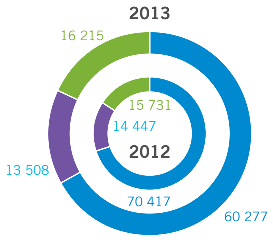
- **1 531** employment opportunities created (2012: 1 450)
- **1 446** direct employees (2012: 1 342)
- **85** indirect employees (2012: 108)

View more about canned fish and fishmeal on our website: **www.oceana.co.za**

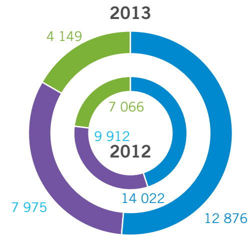
MATERIAL RISKS

- Impact of changes in economic conditions on the targeted consumer groups
- Inadequate stocks of quality raw and canned fish to guarantee consistent supply
- Reallocation of fishing rights in Namibia and South Africa
- Fluctuations in fish landed, impacted by physical availability of stock and weather disruption
- Foreign exchange rate fluctuations
- Managing environmental and odour issues
- Potential harm to the brand resulting from non-conforming canned fish
- International fishmeal and oil pricing

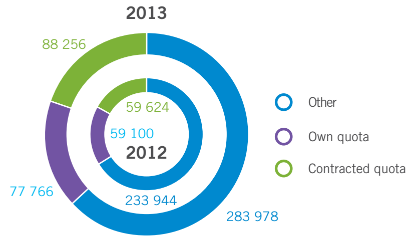
PILCHARD
2013 South Africa TAC 90 000 (tons)



PILCHARD
2013 Namibia TAC 25 000 (tons)



ANCHOVY
2013 A season TAC 450 000 (tons)



STRATEGIC FOCUS AREAS

Our forward-looking focus areas:

- Growing canned fish category in African markets and expand within protein segment, leveraging off the Lucky Star brand to enter new sectors and markets
- Increasing our international canned fish footprint
- Balance commercial and strategic sourcing by aligning procurement volumes with stock on hand and projected future demand, and balancing the needs of strategic relationships with local and global sourcing and equity options
- Drive for business and operational excellence, enhancing efficiencies along value chain
- Build people, systems and support capacity to enable growth

Ensuring security of supply of canned fish through:

- Enhanced global stock and supply chain management practices, to cater for seasonality and variability of supply of raw fish
- Maintaining supply of fresh fish locally by retaining current percentage of TAC and securing additional rights
- Pursuing opportunities to procure cost-effective frozen fish internationally, and expanding current sourcing to include high seas operators
- Continuing to diversify supplier and sourcing base of canned fish

SALES VOLUMES FOR THE HALF YEAR TO MARCH WERE 17% HIGHER THAN THE SAME PERIOD LAST YEAR.

CANNED FISH

In 2013 a total of 8,6 million cartons of canned product were sold (2012: 8,7 million).

Local sales volumes for the full year were lower than in the previous years. This was due to increasing economic pressure experienced by our core consumer, resulting in the shrinking of volumes consumed in the protein and staple food sectors.

Typically our sales year for canned fish consists of two very distinct halves, with sales volumes in the second half of the year being higher than those in the first half. Sales volumes for the half year to March were 17% higher than the same period last year. This is partly attributed to the trade increasing inventories ahead of the anticipated price increase implemented in March. However, in contrast to historical trends, sales volumes in the second half were much lower than the first half resulting in a reduction of 17% when compared to the same period last year.

We attribute this decline to a combination of the following key factors:

1. Significant destocking by trade customers through the second half following the pre-price increase buy-ins. Customers realigned their inventory levels to compensate for lower off-take from core consumers. Wholesale customers effectively halved their inventory on the brand from nearly 100 days cover in March, to around 50 days in July equating to over a month's worth of shipments. This destocking appears to have ceased with inventories stabilising at the August levels.
2. A short-term slowdown in demand due to Lucky Star pilchards being less price competitive versus other staple food categories. Inflation at till prices for the six months ending September 2013 was 12,6% for Lucky Star pilchards, versus 2,1% for red meat, 10,7% for bread, 0,3% for maize meal and 2,9% for rice. The inflation outlook for the next six months for Lucky Star is much lower with the brand projected to improve its value position versus competitor proteins and staples.
3. A reduction in consumer demand for protein and staple foods due mainly to increasing economic pressure. A quarterly home panel study conducted by Nielsen indicates a slowdown in household consumption of protein with the year ending September 2013 being down 1,8% versus the previous 12-month period. Lucky Star's household consumption in this same report was up 7% for this period. Nielsen reports that till sales in supermarket chains for the year ending September show that Lucky Star grew 4,1% in volume, while all other pilchards declined 12,4%, and 2 kg IQF chicken declined 10,6%. Other key categories including bread and maize meal also show declines, indicating the economic stress experienced by South African households.

LUCKY STAR WAS PLACED SECOND IN THE TINNED FOOD CATEGORY IN THE SUNDAY TIMES/TNS TOP BRANDS SURVEY FOR THE FOURTH CONSECUTIVE YEAR.

Despite a challenging year, the brand's health remains excellent, growing its market share of the pilchard category in every major customer across its South African footprint. Lucky Star was placed second in the tinned food category in the *Sunday Times*/ TNS Top Brands survey for the fourth consecutive year, and maintained eighth position in the overall favourite brand category. Investment in brand support and advertising increased, including two new TV led campaigns and a major value driving consumer promotion.

South African and Namibian operations

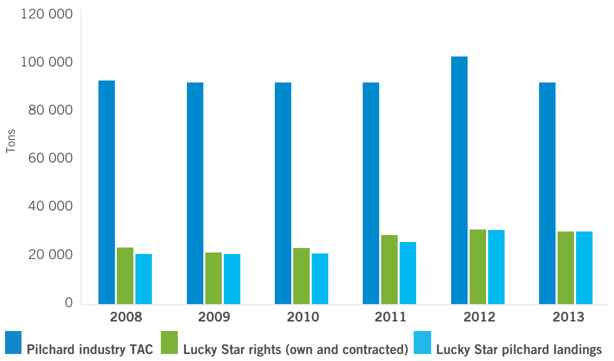
Lucky Star has been catching and canning pilchard in South Africa since 1946, when it opened and began operating its own cannery at St Helena Bay. Production volumes are dependent on the annually approved TAC and on landings by our own pilchard fleet of four vessels, as well as on those from our joint venture partners and independent operators. The construction of a fifth vessel for the pilchard fleet commenced during the first quarter of the financial year and should be fully commissioned before end December 2013. Landings are a function of resource location, status and availability of fish as well as weather conditions and applied fishing effort. The map on page 12 indicates our current main pilchard catching areas.

The 2013 pilchard TAC, ratified by the Minister of Agriculture, Forestry and Fisheries, as recommended by the DAFF scientists, was reduced this year to 90 000 tons (2012: 100 595 tons). Oceana was permitted to catch 13 508 tons in terms of its 15,0% share of the TAC (2012: 14,4%). An additional 2 500 tons of pilchard quota was contracted during the year over and above existing contracts which offset the reduction in TAC. Landing of this allocation was partially completed by 30 September 2013, with the balance to be caught by close of season on 31 December 2013. While the fleet performed well in terms of pilchard landings, the overall performance of the vessels was negatively impacted by very low industrial landings. Availability, size and mix of fish during the financial year were all good.

The introduction of a two shift structure in the latter half of 2012 enabled us to optimise volumes through the cannery from the start of the year.

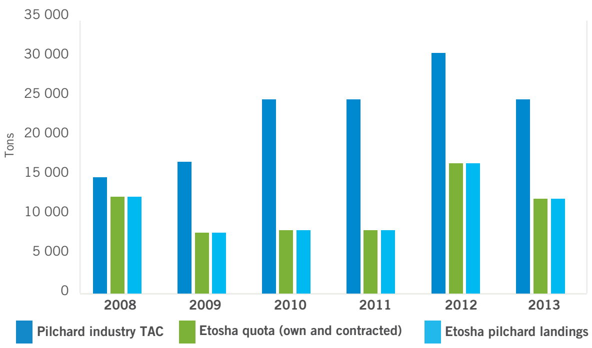
Both the South African and Namibian canneries are in an excellent condition and performed well in terms of yield and quality, with limited capital investments to maintain current production levels.

LUCKY STAR SHARE OF RSA PILCHARD (TONNAGE)



The quota of the Namibian operation, Etosha Fisheries (Etosha), in which Oceana has a 44,9% share was 7 975 tons (2012: 9 912 tons) of the total Namibian TAC of 25 000 tons (2012: 31 000 tons). The resource has been conservatively managed within a relatively low TAC for a number of years. Additional volumes of 4 149 tons (2012: 7 066 tons) of pilchard were also secured and processed through the Etosha cannery during this season. The full quota available to us was landed, with the bulk of the fish being caught in the south and canned under the Lucky Star brand.

ETOSHA SHARE OF NAMIBIAN PILCHARD TAC



Global sourcing

The volume of pilchard required to support sales of Lucky Star products exceeds that available from landings of fish in South Africa and Namibia with our own quotas. This necessitates securing additional raw fish and canned product from other sources. Approximately 60% of the local demand of the canned fish range is sourced from over 14 canneries around the world. The supply side of the business has grown in recent years into a complex logistical operation requiring significant working capital and specialist knowledge and skills.

In addition we procure raw fish in Mexico, USA, Morocco, Japan and Canada for canning in factories in Thailand and China, with increasing volumes of frozen fish being sent to our own plants in South Africa and Namibia. This entails an intricate logistics and planning process and forms part of our supply chain improvement initiatives, including the realignment of warehousing and distribution networks. Through the success of these processes we have managed to increase our inventory levels significantly. However, the recent slowing in sales off-take has required us to reduce our offshore procurement in the short to medium term in order to realign our stock levels.

Ensuring consumer safety

Formal and strict policies and processes are in place to ensure that the final product complies with all the necessary health and safety requirements and is of a consistent standard and quality in line with consumer's expectations and needs. Raw material and products are subjected to rigorous quality control regimes including independent assurance testing. Prior to distribution in South Africa all products, whether locally produced or imported must be inspected and released for sale by the National Regulator for Compulsory Specifications. The Lucky Star brand is protected through vigilant and immediate legal action for infringements. Customer service includes a helpline and personal service to respond to and follow up on all product enquiries, concerns or complaints.

FISHMEAL AND FISH OIL

This year we sold a total of 20 958 tons of fishmeal and oil. This is significantly lower than the 2012 volume of 41 968 tons, due to the exceptionally poor availability of fish.

The principal markets supplied were South Africa, China, Spain, Turkey, Taiwan, Germany, Malaysia and other markets in Africa and the Middle East. The average fishmeal and oil selling prices achieved were very favourable as a result of high dollar prices and a significantly weaker exchange rate.

The international market was reasonably buoyant throughout the year and was characterised by very high dollar prices for the majority of the year and only dropping off recently as is normal for this time of the year and also in anticipation of the 2014 Peruvian quota returning to normality. The international supply and demand of fishmeal and oil was impacted by a significant reduction in supply from Peru as a result of lower 2013 quotas announced by the Peruvian authorities due to concerns of the possibility of an El-Niño and the high incidence of juvenile fish. The reduction in availability of fishmeal had the effect of driving prices up despite the reduction in demand from China due to unfavourable environmental growing conditions and outbreaks of diseases in aquaculture and poultry.

The demand for and price of fish oil remains very strong.

LOCAL FRESH FISH AVAILABILITY AND PRODUCTION
RSA anchovy A season – Industry vs Lucky Star and landings (tonnage)

Reduced landings of industrial fish in South Africa

Lucky Star's two fishmeal (reduction) plants are located at St Helena Bay and Hout Bay from where its fleet of vessels operate, targeting industrial fish, particularly anchovy and redeye. Both fishmeal plants are in a sound condition with limited capital expenditure required to maintain current production levels for the foreseeable future. The below average volume of fish landed combined with associated energy and fuel costs had an impact on profitability.

The 2013 fishing season anchovy TAC (450 000 tons) was consolidated into a single allocation which can be caught up to the end of December 2013, unlike the 2012 fishing season which was divided into what was termed the A season (352 718 tons) and B season (120 000 tons) allocations. The 2013 anchovy TAC is ratified by the Minister of Agriculture, Forestry and Fisheries based on recommendations by the DAFF scientists. The TAC is determined by the scientists based on the magnitude of the adult spawner biomass plus the recruitment to the anchovy fishery. Acoustic surveys of abundance are conducted twice a year, namely in May to determine the recruitment and in November to determine the adult population. The November 2012 research survey concluded that the anchovy resource was in a healthy state while both the sardine and redeye biomass had declined relative to the previous year but not to the extent denoting it to be regarded as exceptional circumstances. The May 2013 survey concluded that the anchovy recruitment was excellent and the sardine recruitment was higher than expected given the relatively low biomass measured in November.

Oceana's 17,3% share of the TAC was 77 767 tons (2012: 16,8% at 59 100 tons). Oceana's landings of anchovy of 9 486 tons in the 12 months to 30 September 2013 were poor (2012: 47 927 tons). This was mainly due to the limited availability of fish, caused by unusual environmental conditions, which resulted from highly unusual environmental conditions, which resulted in fish being either close to the seabed or spread out and not shoaling, making them less accessible to purse seine nets.

Although the redeye herring resource was reported to have decreased, the precautionary upper catch limit, which controls the amount that can be caught, was set at 100 000 tons, the same as for 2012. Industry catches mirrored the measured biomass. Oceana landed 9 058 tons which was much lower than the 20 537 tons landed in 2012.

Actual total landings of industrial fish for Lucky Star and the industry were in fact the worst landings since the industry started targeting anchovy with appropriate sized fishing gear 50 years ago, as reflected in the below graph.

Challenges in operational performance

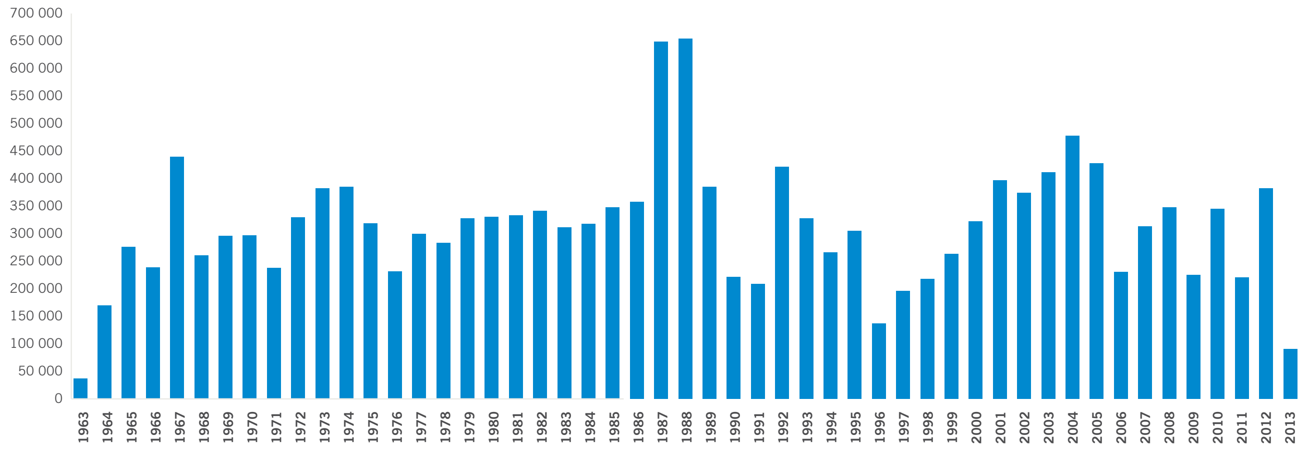
Operationally, Oceana's fleet of seven industrial purse-seining vessels, many of which include joint venture partners, all performed poorly compared to previous years. The fleet delivered a total of 27 442 tons of industrial fish to the two reduction plants for processing into fishmeal and oil (2012: 101 350 tons).

The fishmeal plants processed 49 634 tons of fish sourced from own landings, purchases and trimmings from the cannery (2012: 138 035 tons). The lower input volume negatively impacted efficiencies, energy usage and variable costs per unit of product produced and resulted in a significant under recovery of fixed costs on the vessels and fishmeal plants. Fish oil production of 624 tons was lower than the prior year (2012: 2 272 tons) due to the reduced volume of fish processed. The plants are in a sound technical and operating condition, and are well placed to handle substantial volumes.

Strict licence requirements are monitored continuously. Equipment installed over the past few years has resulted in meaningful improvements in the measurable emissions. Both plants are certified by the regulatory agencies of China, the EU, Australia and Middle Eastern countries to enable fishmeal produced to enter the markets of those countries. Lucky Star is a member of the International Fishmeal and Fish oil Organisation (IFFO) and the plants have been certified as IFFO Responsible Supply (RS) plants. IFFO's vision is to enhance human and livestock health and welfare through superior nutrition to the benefit of consumers worldwide.

In order to attempt to ensure more continuous supply of industrial fish to the fishmeal plants we will continue with a two-year midwater trawl experiment. We are investigating the opportunity to subcontract an appropriate vessel to conduct some trials later this year. These trials should give us an idea of the potential catching success of our industrial species by trawling.

TOTAL INDUSTRY INDUSTRIAL LANDINGS



OPERATIONAL REVIEWS: HORSE MACKEREL AND HAKE

NEVILLE BRINK

BLUE CONTINENT PRODUCTS

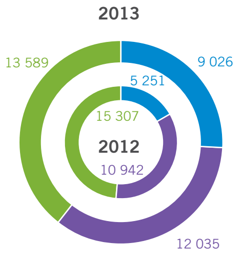
- Horse mackerel resource regarded as healthy in South Africa and Namibia, with potential of increasing in South Africa
- Hake resource regarded as stable

- Independent **level 2 B-BBEE** rating with a score of **89,65** compared to 85,75 in 2012
- **R270,1 million** spent on preferential procurement with BEE suppliers (2012: R127,0 million)
- **R121,3 million** spent on preferential procurement with black-owned suppliers (2012: R10,3 million)
- **R6,7 million** spent on preferential procurement with black women-owned suppliers (2012: R1,4 million)

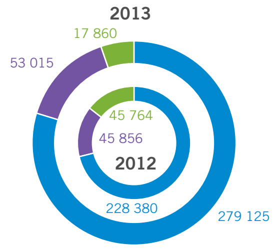
- Turnover **R1,64 billion** (2012: R1,44 billion)
- Operating profit **R422,9 million** (2012: R296,6 million)
- Total volume produced and procured (tons)
  - Horse mackerel **115 113** (2012: 129 603)
  - Hake **9 396** (2012: 3 690)
- Total volume sold (tons)
  - Horse mackerel **115 988** (2012: 130 228)
  - Hake **9 372** (2012: 3 800)

- **836** employment opportunities created (2012: 800)
- **810** direct employees (2012: 771)
- **26** indirect employees (2012: 29)

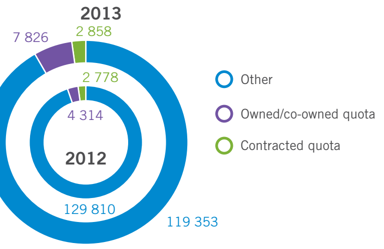
HORSE MACKEREL
2013 South Africa TAC 34 650 (tons)



HORSE MACKEREL
2013 Namibia TAC 350 000 (tons)



HAKE
2013 South Africa TAC 130 037 (tons)



View more about horse mackerel and hake: **www.oceana.co.za**

MATERIAL RISKS

- Reallocation of horse mackerel fishing rights in Namibia
- Nature and level of precautionary maximum catch limit (PMCL) for horse mackerel in South Africa
- Matching and managing vessel catch capacity to available quota
- Maintaining business continuity through effective management of fleet
- Ensuring compliance with legal requirements

STRATEGIC FOCUS AREAS

- Maintaining proactive engagement with South African and Namibian government
- Ensuring appropriate localisation of Namibian operations through targeted employment and training of employees
- Securing retention of current fishing rights due for renewal in 2013/14 (Namibian horse mackerel), 2015 (South African horse mackerel) and 2020 (South African hake)
- Building long-term relationships with other rights holders through joint ventures
- Seek to increase allocation of total allowable catch (TAC) over the longer term
- Extracting full value from the acquisition of Lusitania
- Exploring and realising opportunities in new African markets

DESPITE CHALLENGING FISHING CONDITIONS IN SOUTH AFRICA AND CHANGES IN THE ALLOCATION OF FISHING RIGHTS IN NAMIBIA, THE HORSE MACKEREL BUSINESS HAS CONTINUED PRODUCING GOOD GROWTH.

HORSE MACKEREL

Oceana's horse mackerel business is conducted through subsidiaries Blue Continent Products (BCP) in South Africa, Erongo Marine Enterprises (Erongo) in Namibia and Oceana International on the Isle of Man. Horse mackerel is in high demand in Southern, Central and West Africa, as an important source of affordable protein. Through our subsidiaries we are active in all of these markets.

We operate three horse mackerel vessels in Namibia and one in South Africa. All vessels in the fleet performed well in terms of landings, efficiencies, product quality and cost management. The vessel performances continue benefiting from strict maintenance regimes. Landings are processed at sea into frozen packs in the format required by targeted markets. Product quality controllers are on board every fishing trip in South Africa and Namibia. Training of local marine engineers and technical employees continues, supported by graduate recruitment programmes.

BCP and Erongo continue working at adding value through reinvesting into our assets, our employees and the surrounding communities.

BCP (South Africa)

Empirical evidence and research data indicates that the resource in South Africa is stable. It has been managed for many years through a PMCL which is allocated for a calendar year. This currently stands at 34 650 tons per annum (2012: 31 500 tons) for the dedicated midwater trawl effort. Our South African vessel, the *Desert Diamond*, has scientific observers on board for every trip. They collect data for research purposes, as well as carry out compliance duties.

This year the *Desert Diamond* caught a total of 21 700 tons of own and contracted quota (2012: 14 999 tons). Despite the vessel being in dry dock during July and August, our catches in the 2013 financial year were well above 2012 levels. This is due to a combination of better fishing conditions and the vessel fishing in Namibia for a portion of the 2012 financial year. By the end of September, 15 092 tons (59%) of the 2013 quota had been caught.

Horse mackerel sales by volume from South Africa increased compared with the previous year. South African horse mackerel is sold principally into the Angolan and Cameroonian markets, which prefer larger sized fish with a higher fat content. Limited supply, together with strong demand, resulted in increased prices.

Erongo (Namibia)

The horse mackerel resource in Namibia is reported to be strong and remains well managed through measures implemented by the Ministry of Fisheries and Marine Resources. These measures include an annual review of the TAC and limitation of fishing to areas deeper than 200 metres. The vessels carry two fisheries inspectors who act as compliance observers. The Namibian quota is caught by three midwater trawlers: the *Desert Rose*, the *Desert Jewel* and the *Desert Ruby*.

The 2013 TAC for Namibia is 350 000 tons (2012: 320 000 tons). In January 2012, the Minister of Fisheries and Marine Resources announced the preliminary allocation of 100 000 tons of horse mackerel quota to 'new' rights holders.

ALL VESSELS IN THE FLEET PERFORMED WELL IN TERMS OF LANDINGS, EFFICIENCIES, PRODUCT QUALITY AND COST MANAGEMENT.

This was followed by a further allocation of 21 000 tons in August 2012, effectively reducing the amount of quota available to 'old' rights holders (one of these being the Erongo group of companies). The allocation of quota to the 'new' rights holders has meant that Erongo had to contract quota to keep our fleet at full catch capacity. Together with competition from international vessel operators, this resulted in an increase in costs to secure quota.

Erongo caught and processed a total of 87 709 tons of own and contracted quota in the 2013 financial year (2012: 107 761 tons) and 58 715 tons (83%) of the 2013 quota by the end of September (2012: 67 229 tons).

The Namibian horse mackerel industry continues to be an extremely competitive environment since the introduction of new operators. Higher catches over a short period of time resulted in volumes available being concentrated over a few months of the year which led to a reduction in selling prices of smaller sizes. As a result of reduced quota allocations, the Namibian sales volume decreased compared to the previous year. Prices were variable, driven mainly by supply dynamics that changed dramatically during the year.

The Namibian species is generally a slightly smaller sized fish than those caught in South Africa. It is sold predominantly into the Democratic Republic of the Congo, South Africa, Mozambique, southern Angola, Namibia, Zambia and Zimbabwe.

This year there has been a focused engagement with the Namibian government through the appointment of a new managing director, with specialist local knowledge. During the year, Erongo donated 1,4 million cans of pilchards, amounting to 22 truckloads, to aid drought relief in the northern parts of Namibia.

Oceana International

Oceana's trading company, Oceana International, was established on the Isle of Man in 2004 as a wholly owned subsidiary specialising in the procurement of frozen horse mackerel, sardinella, tilapia, croaker, catfish and other species from a variety of third-party fishing companies for distribution into various African countries. The business trades predominantly in horse mackerel. It also provides logistical services, arranging the transport, importation and insurance of fish.

During the financial year, Oceana International merged with Falcon Foods International (Falcon) through the issue by Oceana International of new shares to Falcon, resulting in Falcon and Oceana each owing 50% of Oceana International. The merger was a strategic decision made by Oceana as Falcon Foods owns and operates retail stores in Angola and Cameroon. The merger combines the expertise of both procurement and distribution. Frozen fish from South America, North Africa, New Zealand, South East Asia, Europe and Southern Africa is sourced and supplied by Oceana International via refrigerated container or reefer vessels for distribution in Cameroon and Angola.

During the year, Oceana International facilitated an experimental fishing operation in Angola using the *Desert Jewel* as a processing vessel supplied by a purse seine fishing vessel. The experiment concentrated on catching predominately horse mackerel and sardinella. This frozen fish was exported and sold into Angola through the Falcon Foods distribution channels. The experimental fishing operation is due to be expanded during the 2014 financial year.

OCEANA'S HAKE BUSINESS, WHICH IS HOUSED IN BCP AND SUBSIDIARIES, EXPERIENCED A VERY GOOD YEAR FOLLOWING THE SUCCESSFUL INTEGRATION OF THE LUSITANIA HAKE VESSELS AND FISHING RIGHTS.

HAKE

In 2013, Oceana's total quota available for deep-sea hake trawl, including that of its joint venture partners, was 9 936 tons, as compared with 4 107 tons in 2012, largely as a result of the Lusitania acquisition. These quotas are allocated for the calendar year.

Our combined catch is caught with four deep-sea trawlers: *MFV Compass Challenger, MFV Realeka, MFV Sandile* and *MFV Toralla*. The latter two vessels were acquired from Lusitania in September 2012 and are now 100%-owned by BCP. The integration of Lusitania's trawlers, crew and commercial fishing rights of 2 398 tons of deep-sea trawl and 588 tons of inshore trawl into the existing BCP hake business has resulted in improved economies of scale.

All four hake trawlers performed reasonably well during the financial year, resulting in good catches of hake and other species (by-catch). All hake and by-catch are produced and frozen at sea, improving freshness and quality and increasing the added value. Hake products are sold in both local and export markets with a focus on Spain, Portugal, Italy, Australia and Korea. The favourable rand/euro exchange rate made Oceana's product very attractive to its export markets.

BCP holds a Marine Stewardship Council (MSC) certificate for compliance with the MSC chain of custody requirements for its hake products. The South African hake fishery is MSC-certified, which confirms compliance with the MSC's rigorous standards concerning responsible and sustainable fishing. The uncertainty around government's awarding of its marine research tender remains a cause for concern. During the year, the *MFV Compass Challenger* assisted with two small pelagic surveys, while another industry vessel assisted with one hake demersal survey. If these surveys had not been completed there could have been a significant negative impact on the setting of TACs in the small pelagic sector and on the MSC's assessment of the Department of Agriculture, Forestry and Fisheries' (DAFF) ability to manage the South African hake fishery sustainably.

South Africa's hake resource is reported to be in a stable condition and continues to be managed on a conservative basis.

OPERATIONAL REVIEWS: LOBSTER, SQUID AND FRENCH FRIES

SULEIMAN SALIE

- **Lobster:** Independent level 2 B-BBEE rating with a score of 94,12 compared to 94,22 in 2012
- **Squid:** Independent level 1 B-BBEE rating with a score of 103,95 compared to 103,95 in 2012
- **French fries:** Independent level 3 B-BBEE rating with a score of 75,28 compared to 79,35 in 2012
  - R125,1 million spent on preferential procurement with BEE suppliers (2012: R138,1 million)
  - R33,3 million spent on preferential procurement with black-owned suppliers (2012: R41,2 million)
  - R17,9 million spent on preferential procurement with black women-owned suppliers (2012: R16,9 million)

- West coast rock lobster: 100% of allocated TAC landed
- South coast rock lobster: 80% of allocated TAC landed
- Squid: Approximately 40% of optimal volumes landed

- 632 employment opportunities created (2012: 657)
- 609 direct employees (2012: 643)
- 23 indirect employees (2012: 23)

- Turnover – R374,3 million (2012: R350,4 million)
- Operating profit – R23,3 million (2012: R29,5 million)
- Total volume produced and procured (tons)
  - Lobster: 501 (2012: 528)
  - Squid: 706 (2012: 996)
  - French fries: production 18 698 (2012: 18 647)
- Total volume sold (tons)
  - Lobster: 465 (2012: 458)
  - Squid: 553 (2012: 683)
  - French fries: 18 970 (2012: 18 457)

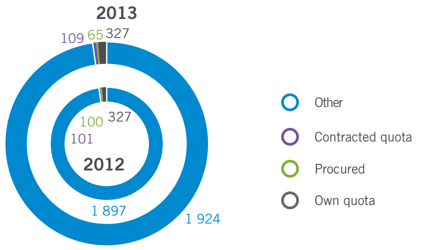
MATERIAL RISKS

- Fluctuations in the seasonal availability of lobster and squid
- Uncertainty in the allocation of rights, with the small-scale fisheries policy impacting the allocation of lobster rights and potentially also impacting the sustainable management of the resource
- Limited product range and dependency on a few major markets
- Ensuring compliance with regulatory requirements
- Potential loss of critical skills (squid skippers)
- Regular cost-effective supply of raw material (French fries business)

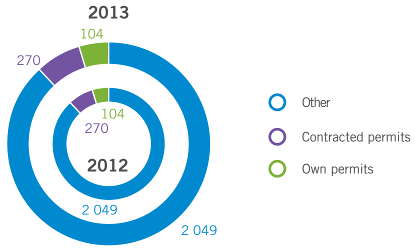
View more about lobster, squid and French fries: **www.oceana.co.za**

- The west coast rock lobster resource has delivered acceptable catch rates over the last few seasons. To ensure the future sustainability of the resource, the commercial industry's stated objective is to rebuild the exploitable biomass to similar levels as was assessed in 2006, over the next eight years. This will result in a lower TAC being set for the next year. Regular scientific assessments will measure the levels of rebuilding being achieved.
- The squid fishery is an effort managed fishery regulated in terms of the total applied effort, which currently accommodates 2 422 men, operating for 300 000 man-days. The fishery has delivered squid volumes below optimal levels for the last three seasons, and this is generally ascribed to abnormal environmental factors. Squid is a short-lived specie, and scientists believe that the performance of the resource could improve over the short term. In light of this, DAFF is considering whether a reduction of effort may be needed to aid in the rebuilding of the resource.

LOBSTER
2013 Lobster TAC 2 425 (tons)



SQUID
2013 Squid TAE 2 423 (permits)



STRATEGIC FOCUS AREAS (2013/2014)

- Maximise retention of quota rights for west coast lobster (due for renewal in 2015) and squid (due for renewal in 2014)
- Promote growth through successful integration of Foodcorp acquisition
- Improve margins for current quota by increasing live lobster storage periods
- Increase procurement of lobster through engagement with small-scale fishers
- Continue proactive engagement with government and small-scale fishers
- Assess feasibility of entry into new markets

INVESTMENT, COMMITMENT AND PRODUCT INNOVATION FOR ALMOST A CENTURY HAVE ENABLED OCEANA'S LOBSTER BUSINESS TO SURVIVE AND PROSPER.

OCEANA LOBSTER, CALAMARI FISHING AND LAMBERTS BAY FOODS

This division has three business units that are involved in the catching, processing and marketing of rock lobster and squid, as well as the processing and marketing of French fries.

LOBSTER

The west coast rock lobster business delivered a growth in revenue on the previous year, primarily as a result of the weaker rand/dollar exchange rate. Increased sales, particularly of live lobster products, benefited from the weaker currency and a steady demand from our key markets.

Oceana has been an active participant in the west coast lobster fishery since 1913, when the now deregistered subsidiary North Bay Canning Company commenced canning lobster tails, sold mainly in France. Production changed to frozen tails in the late 1930s, destined for the US market, and then in the 1980s to mainly frozen whole lobster products for Japan, and more recently to live lobster exports, particularly to the Chinese market.

Investment, commitment and product innovation for almost a century have enabled Oceana's lobster business to survive and prosper notwithstanding the cyclical availability of biomass, and the recent economic downturn. This sector has undergone significant transformation since 1992 through the introduction of new entrants and internal transformation of many existing rights holders. During the restructuring of the sector, Oceana's share of the overall TAC was reduced from 36% to 13,5%. Fair and objectively determined volumes of lobster in catching rights and permits are necessary to maintain provision of employment, secure market share and penetration, manage costs and justify long-term investment in new plants and technology.

Our strategic objectives in recent years have focused on:

- procuring additional volumes of raw material through engaging with artisanal fishermen and communities, acquisitions, and the catching, packing and marketing of other commercial rights holders' quotas;
- maintaining good operational and compliance performance; and
- improving operating margins through production efficiencies, and strategic market selection.

While the regulatory process for determining the TAC and allocation of long-term access rights is satisfactory, there remains a need to improve monitoring and policing, which is hampered by a lack of resources.

The TAC for west coast lobster remained 2 425 tons during the year under review. Oceana Lobster's 13,5% share is 327 tons. Additional raw material was sourced from other quota holders and small-scale fishers, resulting in a total of 501 tons being processed and marketed. This is around 8% less than volumes handled during the previous year, as the volumes procured from small-scale fishers declined. By close of season, Oceana landed 100% of its quota allocation of 327,4 tons, as well as 50,7 tons on behalf of other rights holders. Catch rates, on average, were at similar levels to the previous year. Landings of west coast lobster were directed mainly for live product export. South coast lobster was processed into live product, as well as sea-frozen tails. Oceana landed 80% of its south coast lobster allocation. Oceana's land-based facilities at Hout Bay (live lobster) and St Helena Bay (frozen products) have the capacity and capability to produce live, whole frozen lobster and frozen tail products in the ratio best suited to maximise earnings.

Oceana's main markets are China (live exports), Japan (whole frozen) and France, Italy and Switzerland (live and frozen). Demand for product in China remained steady, but prices were at similar levels to last year due to the impact of China's higher import duties. The weaker rand, however, more than offset the impact of lower prices. Prices remained steady in Japan and the European countries.

With scientific advice favouring a conservative approach to rebuilding the biomass, it is expected that the commercial TAC will be reduced from the 2013/2014 season. As a defensive strategy against declining volumes, we will continue seeking additional volumes through acquisitions and arrangements with other rights holders and small-scale fishers. Our own catching, processing and distribution infrastructure is in good order. In addition, the trading of lobster products from other origins is being developed. Major markets are expected to remain firm with worldwide demand for lobster exceeding supply.

SQUID

Poor squid availability continued in 2013, with catches declining by a further 25% compared to the previous season. Lower landings resulted in the squid business reporting further losses for this financial year.

Oceana conducts its squid operations through its subsidiary, Calamari Fishing Proprietary Limited (Calamari Fishing), based in Port Elizabeth. Fishing is regulated on an effort basis, rather than a TAC system. Oceana operates five vessels and holds 104 of the 2 423 catching permits issued in this sector of the fishing industry. This is the same number of permits that we have been allocated annually since the rights were awarded in 2006.

Following a poor 2012 season, squid availability in the current season was the lowest recorded in the last decade. Despite consistent and efficient fishing by the company's fleet, poor landings of 230 tons were delivered in 2013 (2012: 310 tons; 2011: 501 tons). Scientists have cited two possible reasons for the low squid availability: poor recruitment in prior seasons, or unfavourable oceanographic conditions preventing squid from coming into the traditional spawning grounds. While it is difficult to predict the performance of the squid resource next season, historical trends indicate that an increase in catches is likely.

Major markets are in the European Union and Japan. Despite depressed economic conditions continuing in Europe, prices remained at similar levels to last year. Demand for squid products remained steady, particularly for individually quick frozen (IQF) squid product in the Japanese markets. The IQF method of on-board sea freezing entails blast freezing the caught squid, individually, to -30ºC. On arrival at the port the landings are graded, glazed and boxed at the company's facility in Port Elizabeth, ready for distribution to market. Instead of the alternative practice of freezing landings into blocks of conjoined fish, the IQF process results in a high-quality product that lends itself to managed use by retailers and consumers.

Calamari Fishing is in the process of applying for a renewal of its long-term squid fishing rights. We anticipate a successful renewal as we believe that the business has performed well against all the qualifying criteria as indicated in the latest policies governing the granting of rights. A key risk, however, is government's intention to redistribute the rights to a limited resource with very low availability to small-scale fishers.

Calamari Fishing's fleet and infrastructure remain in good order. We continue seeking initiatives to attract additional fish from third parties, to process and market. We are also investigating other fishing opportunities where the squid vessels can be deployed.

FRENCH FRIES

Poor raw material quality in the first quarter and rising transport costs through the year, resulted in the French fries business reporting a loss for the financial year. As raw material quality improved, profitability increased, but not sufficiently to offset the losses experienced in the first quarter. Strong sales volumes in primarily the quick service restaurant (QSR) market generated increased revenues. The plant continues to run at full capacity to satisfy demand. Local French fries producers succeeded in getting the International Trade Administration Commission of South Africa (ITAC) to introduce a 62% safeguard duty on imported product for a period of 200 days, expiring in January 2014. The volumes of imported fries have significantly declined. Imported fries priced well below local production costs, have put downward pressure on locally produced fries. Going forward, pricing will be adjusted to at least achieve a margin that covers local inflation, raw material pricing and quality fluctuations and reinvestment in the plant.

A consistently high standard of operational performance was maintained. Apart from the challenging first quarter, acceptable production yields were achieved. This was largely driven by an increased supply of better size and quality potatoes from Western Cape cultivars and improved utilisation of secondary raw material in the production of value-added products.

Oceana's subsidiary Lamberts Bay Foods produces French fries and value-added potato products at its factory in Lambert's Bay. Established in 1995 as a social responsibility project to offset job losses in the region due to the decline in fishing employment opportunities in the area, the prospering business employs 273 people.

An independent socio-economic study revealed that approximately 2 250 jobs have been created on a national scale through Lamberts Bay Foods. North of St Helena Bay it is the largest single employer on the west coast, and the only facility in South Africa producing its entire basket of products locally.

Potatoes used at the plant are sourced mainly from the Sandveld/Ceres regions of the Western Cape, Mpumalanga, and the Free State. Developing long-term relationships with potato growers closer to Lambert's Bay is an ongoing strategic objective, in order to lower transport costs as well as reducing the risks of receiving poor quality product. During 2013, the plant passed all annual hygiene, quality, and safety audits conducted by independent assessors of key customers.

The majority of potato waste is sold to cattle farmers, with the rest of it disposed of in waste sites approved and controlled by the local authority. Wastewater is discharged into the sea, in line with conditions imposed by the regulator.

Lamberts Bay Foods' customers are largely franchised QSRs and retail customers, to whom the company aims to supply products and services of a range and quality demanded by this exacting and competitive sector of the food industry. LBF's fries, wedges and hash browns are enjoyed at restaurants and purchased at retail franchises across the country.

OPERATIONAL REVIEWS: CCS LOGISTICS

LOURENS DE WAAL

CCS has a long-standing and sound reputation in the primary storage and handling of mainly perishable products on behalf of major manufacturers, exporters and importers. The location of cold stores, the range of services offered and the ability to integrate these services cost effectively into the full outbound supply chain of customers are key drivers in achieving sustained support and storage occupancies in the cold storage industry.

- Cold storage capacity: **110 000** refrigerated pallet spaces in **10** warehouses (2012: 106 000 pallet spaces in eight warehouses)

- **629** employment opportunities created (2012: 631)
- **332** direct employees (2012: 307)
- **297** indirect employees (2012: 324)

- Independent **level 3 B-BBEE** rating with a score of **84,05** compared to 80,9 in 2012
- **R112,5 million** spent on preferential procurement with BEE suppliers (2012: R101,5 million)
- **R20,4 million** spent on preferential procurement with black-owned suppliers (2012: R9,8 million)
- **R0,9 million** spent on preferential procurement with black women-owned suppliers (2012: R4 million)

- Turnover 2013: **R326,3 million** (2012: R279,8 million)
- Operating profit 2013: **R82,8 million** (2012: R66,0 million)
- Occupancy 2013: **85%** (2012: 85%)
- Pallets handled 2013: **658 406** (2012: 638 092)

CAPACITY GROWTH OVER 40 YEARS

70s	Paarden Eiland				
80s	Walvis Bay	Bayhead	Epping	Maydon Wharf	Paarden Eiland expanded
90s	City Deep	Duncan Dock	Duncan Dock rebuild	Walvis Bay expanded	Bayhead expanded
00s	MFT fruit	Bayhead expanded	Epping expanded	City Deep expanded	
10s	City Deep expanded	Diep River acquired	V&A acquired		

4 000 pallet spaces

110 000 pallet spaces

View more about CCS Logistics: **www.oceana.co.za**

MATERIAL RISKS

- Failing to ensure sufficient market differentiation through range of services provided
- Accessing the required skills for new growth opportunities
- Exchange rate fluctuation and nature of South African import/export balance
- Ensuring reliable availability of energy and water
- Managing business continuity, such as fire damage and IT network redundancy

STRATEGIC FOCUS AREAS

- Continue on the path of establishing CCS Logistics as a full service logistics provider
  - Consolidating the recently expanded menu of services
  - Increasingly enter into long-term strategic partnerships with customers
  - Enhancing customer service integration and optimisation
  - Increasing competitiveness by driving efficiencies and improving service levels
  - Leveraging the information system (IS) investment for customer benefit
- Growing the business through a step-change
  - Ensuring customer participation across the full spectrum of the new expanded service offering
  - Expanding the infrastructure footprint in existing geographies (South Africa and Namibia)
  - Establishing and consolidating cost-effective route to market solutions for rest of Africa
  - Growing market share in the chilled product category

REVENUES WERE APPRECIABLY HIGHER FOR THE FINANCIAL YEAR, DRIVEN LARGELY BY A GROWTH IN STORAGE CAPACITY AND FAVOURABLE VOLUME THROUGHPUT, RESULTING IN DIVISIONAL EARNINGS BEING WELL ABOVE THOSE OF THE PRIOR YEAR.

EXPANDING OUR FOOTPRINT AND SERVICES

The cold storage industry in South Africa underwent significant growth in additional storage capacity in the prior three years (2010 – 2012), but experienced a slowdown this year due to the increased cost of investment and growing competition. Despite these prevailing conditions, we successfully incorporated two additional cold stores into our network.

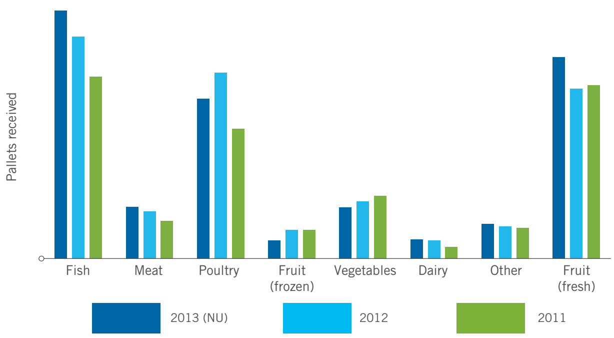
CCS Logistics now operates 10 refrigerated warehouse facilities in the major centres and harbours of South Africa and Namibia. These cold stores are located in Cape Town, Durban, Johannesburg and Walvis Bay. Collectively, they offer customers over 110 000 tons in refrigerated storage. These stores are capable of storing and handling product at temperatures from ambient to well below zero, with the Duncan Dock store in Cape Town reaching as low as -60ºC. Our facilities are suitable for poultry, fish, meat, vegetables, dairy, margarine and fruit. Fruit activity is in commercial (un-sterilised fruit) and sterilised fruit. Sterilised fruit is handled through a specialised low-temperature sterilising system offered at the purpose-built Maydon Wharf Fruit Terminal in Durban.

In 2013, the volume and dwell time in frozen imports continued to grow. Local producers remained under pressure from importers and inventories remained high, to the benefit of the cold storage industry. CCS Logistics was the major beneficiary of the higher storage demand by actively securing the majority of the market demand. In Namibia the further increased horse mackerel catch allocation, and the increase in the number of quota holders, drove up the demand for frozen storage to the benefit of the strategically positioned CCS Logistics facility in Walvis Bay. Additional capacity will be introduced at the Walvis Bay facility during 2014 to meet the growth in storage demand. The foreign fishing fleet usage of the Cape Town port remained depressed and impacted negatively on storage occupancy and throughput at the two quayside facilities in Cape Town. This was partially offset by an increase in frozen hake landings due to the acquisition of the Lusitania hake fleet and rights. Positive inroads were made in the broader chill product category in line with strategy and the storage of ambient product was also introduced.

The continued marketing drive to promote fruit handling of the more profitable sterilised citrus fruit through the Durban port was only partially achieved. Overall fruit volumes increased with the addition of the Zimbabwe export programme and more citrus cargo being diverted to the Durban port due to capacity reduction in the Maputo port. The margin performance of the two fruit facilities did not meet planned expectations, but improved substantially versus the prior year.

Operating margins in the frozen product category were maintained in 2013, but remained under pressure with the impact offset by achieving consistent storage occupancies throughout the year and delivering on cost reduction initiatives mainly in the KwaZulu-Natal region. Additional customer services and revenue streams were introduced during the year, but did not have a material impact on revenues and margins. However, we expect to see a step-change in the revenue contribution from these new services as customer participation increases and these services become fully integrated with the long established core services.

PRODUCT CATEGORY PERFORMANCE



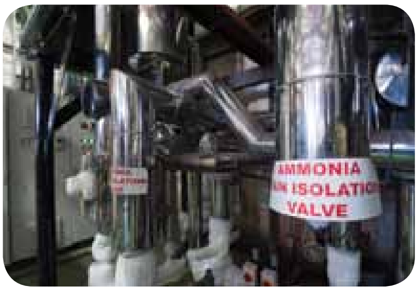
DRIVING EFFICIENCIES AND ENSURING BEST PRACTICE

Overheads were well managed and the significant increases in mainly electricity tariffs were partly offset by the continued focus on efficiencies.

The security and service integrity of customers' products will remain based on a platform of modern store design, optimum refrigeration technology, up-to-date IS and compliance with both local and internationally recognised quality control systems. Independent service providers and regulatory agencies continue conducting regular reviews of operating processes and safety measures. No significant health, safety or product quality incidents were experienced during the year and benchmarks for risk audits were exceeded at all facilities.

To further enhance service levels and create more flexibility for our customers, we have expanded our operating hours at all facilities. This initiative, together with the expansion in the number of facilities, translated into an increase in permanent employment for the year.

Longer-term strategic planning caters for a further expansion in the menu of services, more service flexibility, better leveraging of IS, guaranteed space contracts for customers and further footprint expansion in South Africa and Africa. The required supply chain skills are being developed and tools sourced to deliver against the strategic plan.



OPERATIONAL REVIEWS: HUMAN RESOURCES

JANE WILKINSON

- **R12,8 million** invested in employee skills development (2012: R8,3 million)
- Labour turnover of **7,3%**, below national average of **10,3%** (2012: 7%)
- **73%** personal development plans in place (2012: 50%)
- Individual performance agreements with **78%** of non-bargaining unit employees (2012: 82%)
- Employee assistance programme expanded to include legal and financial assistance
- **R576,8 million** spent on wages (2012: R546,4 million)

- Revised 2016 targets: **50%** at executive and senior management levels following further focus on improving transformation
- **50** workers transferred from labour brokers to employees at CCS Logistics

- **0** production days lost to strike action or labour unrest (2012: 0 days)

EMPLOYMENT EQUITY

	Target 2016			2013			2012		
	Female	Black[1] female	Black	Female	Black female	Black	Female	Black female	Black
Executive	25	25	50	22	11	33	22	11	22
Senior management	29	18	50	24	12	30	26	13	29
Middle management	22	17	68	18	13	61	18	11	54
Supervisory	22	20	83	22	19	82	24	21	83
Clerical and other employees	41	40	97	41	41	97	43	42	97
Disabled		2,7			2,5			3	
% Overall	37	35	92	37	35	91	38	37	92

[1] Statistics included in the tables in this section relate to the group's South African divisions only.

DISABLING INJURY FREQUENCY RATE (DIFR) BY DIVISION

Division	2013	2012
Horse mackerel and hake	0,2	0,2
CCS Logistics	1,0	0,8
Lucky Star	0,8	2,2
Lobster, squid and French fries	0,4	1,5
Oceana Group	0,5	1,0

EXPENDITURE ON AET, SUPERVISORY, LEADERSHIP AND OTHER TRAINING

Division	2013 Rm	2012 Rm
Adult education and training (AET)	1,4	1,1
Leadership and supervisory training	1,8	1,8
Maritime	1,0	0,5
Health and safety	1,8	1,7
Technical	4,7	1,8
Diversity/equity	0,1	
Other	2,0	1,4
Total	12,8	8,3

View more about Human resources: **www.oceana.co.za**

NUMBER OF EMPLOYEES

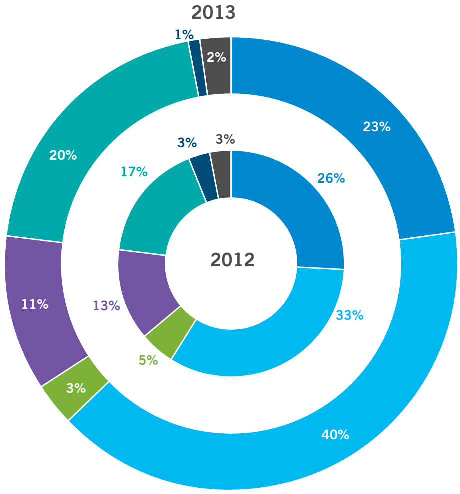
	2013			2012		
Divisions	**Direct**	**Indirect**	**Total**	Direct	Indirect	Total
Horse mackerel and hake	810	26	836	771	29	800
CCS Logistics	332	297	629	307	324	631
Lucky Star	1 446	85	1 531	1 342	108	1 450
Lobster, squid and French fries	609	23	632	634	23	657
Oceana corporate office	78		78	60		60
Total	3 275	431	3 706	3 114	484	3 598

TOTAL SPEND OF TRAINING ACROSS RACE AND GENDER

	2013			2012		
	Male Rm	**Female Rm**	**Total Rm**	Male Rm	Female Rm	Total Rm
Black	7,0	4,3	11,3	3,9	3,3	7,2
White	1,1	0,4	1,5	0,7	0,4	1,1
Total	8,1	4,7	12,8	4,6	3,7	8,3

The labour turnover figure of 7,3% for the group is below the national average of 10,3% (as per Deloitte Human Capital Corporation).

LABOUR TURNOVER



%	2013	2012
Retirement/Health/Death	23	26
Dismissal	40	33
Retrenchment	3	5
Personal circumstance/ self-employment	11	13
Dissatisfaction with pay/ benefits/opportunities	20	17
Incompatibility	1	3
Location	2	3

STRATEGIC FOCUS AREAS

- Meeting employment equity targets
- Promoting skills development
- Driving performance management
- Ensuring full compliance with changing regulatory requirements on employment
- Implementing effective incentive schemes

THE HUMAN RESOURCE FUNCTION PLAYS A KEY ROLE IN INSTILLING OCEANA'S VALUES AND BUSINESS PHILOSOPHY AND IN DELIVERING ON ITS STRATEGIC OBJECTIVES.

DRIVING TRANSFORMATION AND LOCALISATION

Adhering to all employment laws and fostering respect for human rights

As a responsible employer, we adhere to all labour legislation relevant to the countries within which we operate. Our employees receive training on the implications of all relevant labour legislation. The group does not permit child labour or forced or compulsory labour. We experienced no litigation pertaining to discrimination, anti-union practices or alleged human rights violations during the year.

Amendments to the various pieces of employment legislation have been anticipated and promulgation is awaited to ensure full compliance across the group.

The group's code business conduct and ethics is distributed to all new employees on joining the group and there are regular refresher sessions addressing the key items covered by the code. During the reporting period, three employees were dismissed for incidents involving corruption (theft) and one employee was dismissed for fraudulent conduct (misrepresentation). A further six employees were disciplined for corruption and fraud related offences.

Promoting employment equity in our South African operations

The group's employment equity policy affirms the commitment to equal opportunities and all initiatives relating to affirmative action and the achievement of employment equity. The policy reaffirms the group's commitment to the elimination of all forms of unfair discrimination.

All operations in South Africa comply with the Employment Equity Act, 55 of 1998, and Employment Equity Regulations of 1996. Oceana submits reports each year to the Department of Labour. Appropriate employee communication channels are in place to serve the requirements of both acts.

Of the 201 opportunities graded A – C[1], 189 (94%) were filled with candidates from designated groups (black people, women and people with disabilities). This compares with 97 opportunities (92%) in 2012. At the D – F[1] level, 19 of the 25 opportunities (76)% were candidates from the designated groups (2012: 22 (68%)).

[1] *Paterson grading system: grade D – F: executive, senior and middle managers, grade A – C: supervisory, clerical and other employees*

Oceana's current employment equity profile by occupational level at 30 August 2013 is presented online (http://oceana-integratedreport.co.za/sustainability-reports) in accordance with amendments to the Employment Equity Regulations (2006).

The group remains under the director-general's review in terms of section 43 of the Employment Equity Act. Follow up communication was received from the Department of Labour and additional documentation provided to them. Meetings with an official took place and no further communication has been received. A further updated employment equity plan was submitted at the end of September together with the integrated report required in terms of the Employment Equity Act.

Promoting localisation in our Namibian operation

We continuously focus on increasing the number of Namibians employed within the horse mackerel operations. Currently 64% of the total employees are Namibian, of which 90% of the land-based staff are Namibian. In light of the high level of competency required in the navigation and maintenance positions on board fishing vessels which exceed 5 500 grt, a number of foreign staff are employed. We embarked on a long-term training initiative to improve the skills levels of local Namibians in the navigation and marine engineering fields. Currently the more junior positions are held by Namibians and more senior positions by foreigners, while the skills transfer process is underway.

OPTIMISING OUR OPERATIONS

Investing in training and development

Oceana's learning and development policy was reviewed and updated this year. The policy is implemented by the central training and development team, which reports to the group HR manager. This policy supports the learning, growth and development of all employees and ensures a uniform and fair approach to training and development.

This year, we ran four training sessions for senior managers. Eleven middle managers completed the Oceana "Leader as Coach" programme and nine managers completed the Oceana Leadership Management Development programme. Both programmes are run by the University of Stellenbosch Business School. We have also expanded our offering of leadership development through the implementation of two additional programmes, six managers completed a management skills programme and 17 supervisors completed a programme on core supervisory skills.

The group has also embarked on a special project for unemployed learners with a disability. To date, 11 learners have completed the NQF1: Domestic Services learnership and a further eight will be commencing the NQF2: Business Administration learnership. The learnerships were implemented to address the development of skills in specific areas, as well as providing meaningful and portable qualifications. The group has also embarked on an apprenticeship programme. Two unemployed learners were appointed to this role at Lamberts Bay Foods.

Adult education and training remains a key focus within Oceana to ensure that employees can progress into formal training programmes once their literacy levels have improved. This year, a total of 151 people participated in our adult education and training (AET) literacy and numeracy programmes.

PERSONAL DEVELOPMENT PLANS, WORKPLACE SKILLS AND TRAINING

A personal development plan was completed by 73% of non-bargaining unit employees during the year (2012: 50%). This process allows employees to identify their development needs and agree on action plans with their managers.

In line with the Skills Development Act, 97 of 1998, Oceana submits workplace skills plans and implementation reports to the relevant Sectoral Education and Training Authority (SETA) each year. The workplace skills plans ensure that both the strategic needs of the business and the personal development needs of all employees are incorporated and that implementation is planned and budgeted for during the year.

This year we invested a total of R12,8 million in all employees (2012: R8,3 million), R11,3 million of which was invested in black employees (2012: R7,2 million). An average of 2% of the leviable amount of payroll was spent on training (2012: 1,7%). This was in addition to the 1% payroll levy paid to the relevant SETAs. A target of 3% of the leviable amount of payroll is in place. The average spend amounted to R5 039 per employee (2012: R3 279). The target for 2013 was to achieve spend of R7 703 per employee.

A further R3,7 million was spent on administrative costs incurred by the group in facilitating and managing the training function (2012: R2,6 million). Expenditure was incurred on a number of specific projects (detailed in the table on page 64) and for specific interventions related to divisional strategy and personal training needs arising during performance appraisals and personal development plan discussions.

PERFORMANCE AND TALENT MANAGEMENT

We have reviewed and updated our performance management guidelines, which now require that all non-bargaining unit employees have an individual performance agreement (IPA) in place. In 2013, 78% of non-bargaining unit employees had an IPA (2012: 82%). There will be an increased focus on performance management during the next period.

Succession planning is conducted by developing a group talent pool with separate divisional talent pools. This allows focused development to fast-track the identified employees. The remuneration and nomination committee reviews the group succession plan on an annual basis. Retention of key employees continued to receive significant focus this year, particularly in the engineering and technical disciplines, which are critical to the optimal functioning of factories and vessels. Appropriate retention mechanisms are considered on an ongoing basis.

ENSURING OCCUPATIONAL HEALTH AND SAFETY

Managing directors of all the operating divisions are responsible for ensuring full compliance with relevant occupational health and safety legislation and that required structures are in place. Health and safety committees are in place in line with the requirements of the Occupational Health and Safety Act, 85 of 1993. Recognition agreements with unions in the OB and BCP divisions cover health and safety issues.

The group's disabling injury frequency rate (DIFR) for 2013 was 0,5 (2012: 1,0). The decrease in the DIFR is as a result of management's ongoing focus in this area. A detailed analysis of injury incidents has been undertaken resulting in the re-emphasis on preventative controls and operating processes. No fatalities occurred during the reporting period under review.

An independent consultant completes a comprehensive annual risk audit at the larger sites focusing on compliance with this legislation and insurance-related requirements. A report-back on this process is presented to the risk committee annually.

The operational sites provide clinic facilities, managed either in-house or outsourced. The clinics provide both primary healthcare and occupational healthcare to employees and strategic advice to management. Specific areas of focus include hearing loss prevention programmes within factory environments. Additional programmes are implemented relevant to concerns arising from annual medical examinations. The clinics also provide treatment for injuries sustained on duty. All workplace injuries and illnesses are reported to the Compensation Commissioner within the stipulated time frames.

Employees involved in production processes participate in an induction training session at the start of each season. This includes health and safety training, hearing conservation and tuberculosis awareness. Throughout the year ongoing health and safety training also takes place, for example, fire fighting, first aid, hazardous chemical handling and SAMSA-accredited training for all seagoing employees. Personal protective clothing is issued to employees in accordance with legislative requirements.

Risk assessments are regularly conducted in relation to a number of areas, including ventilation, illumination, noise, hazardous chemicals, and refrigeration. Recommendations from the reports are implemented to promote a safe working environment.

Fire fighting has been a key focus during the year under review, with several employees attending the relevant training. A number of teams entered the Mutual Risk Group fire team competition for the Cape region with one team from CCS in Epping proceeding to the national finals for a second consecutive year.

ADDRESSING HIV/AIDS AND PROMOTING WELLNESS

The Employee Wellness programme managed by Kaelo, an independent service provider, was adapted in 2012 when an employee assistance programme was launched, was further extended this year to include both financial and legal assistance via telephonic and face-to-face counselling for employees and their families. This is in addition to the service that continues to offer telephonic and face-to-face counselling in the event of emotional, mental or other types of trauma.

As there has not been any further screening undertaken during the period under review, the HIV/Aids prevalence of 11% for the group as at 2011 remains unchanged.

The personal protection programme and trauma cover remains in place. This service provides employees and their families with access to antiretrovirals (ARV) in the event of trauma (such as a vehicle accident or assault) that results in exposure to body fluids that may be infected with HIV/Aids. This, together with the distribution of free condoms and ongoing education and awareness, forms part of the group's HIV/Aids prevention strategy.

We have adopted the AidsRating® analysis tool to manage our strategy relating to the impact of HIV/Aids. This is a document consisting of 93 questions, which provides a score and allows for benchmarking, internally and externally, with other companies and industries. The tool will allow us to measure year-on-year improvements and will identify areas of weakness, as well as best practice. The group's target was a score of 60% by 2012 and scored 66% as at August 2013 (2012: 66%).

BUILDING TRUSTED RELATIONSHIPS

Fostering positive employee relations

Of the group's employees, 53% are members of a union (2012: 47%). In South Africa, our employees are members of: Food and Allied Workers Union (FAWU), the Trawler and Line Fishermen's Union (TALFU), the National Certificated Fishing and Allied Workers Union (NCFAWU), and the United Democratic Food & Combined Workers Union (UDF&CWU). The Namibian unions are the Namibia Food and Allied Workers Union (NAFAU) and the Namibia Transport and Allied Workers Union (NATAWU). Various unions have recognition agreements with different companies within the group.

Wages and conditions are negotiated via industry bodies. In the lobster sector, negotiations are conducted through the South African Pelagic Fish Processors Association, and in white fish and midwater trawl through the Fishing Industry Bargaining Council, which consists of deep-sea, midwater and inshore trawling chambers. Calamari Fishing Proprietary Limited is involved in the squid industry's statutory council and is an active member of the Employers Organisation for the Cephalopod and Associated Fisheries, which is an employers' association for the industry. During the period under review the pelagic sector withdrew from the South African Pelagic Fish Processors Association in order to conduct plant-based negotiations, which it did successfully. In other parts of the group, negotiations are conducted with the relevant union at plant level.

All employees in the bargaining unit are paid in line with an agreement, which includes minimum rates of pay. This year annual wage negotiations were successfully completed in all divisions and there was no strike action, despite the prevailing economic climate.

Promoting effective employee engagement

Employee forums exist at both unionised and non-unionised sites to facilitate consultation and communication. The participants in the forum are representative of occupational levels, gender, race and employees with disabilities at the specific site and in line with the requirements of the Employment Equity Act, 55 of 1998.

In the event of any operational changes required in the business, the minimum notice periods given are as prescribed in the Labour Relations Act. This relates to the impact of the changes and the numbers of employees affected. During the reporting period there were no significant operational changes of this nature.

Comprehensive discipline and grievance procedures in line with the requirements of the Code of Good Practice: Dismissal (Schedule 8, Labour Relations Act, 66 of 1995) are in place. The procedures are communicated to employees when they join the company and ongoing education and training programmes take place at various employee levels and with shop stewards.

Responding to legislative developments

During the year the Department of Labour continued to conduct a formal investigation into the fishing sector to determine if a sectoral determination is required to regulate the terms and conditions of seagoing employees who are not covered by existing bargaining or statutory councils. The outcome of this investigation will affect our pelagic and lobster division. The requirement to become self-regulated through the formation of an employer's association in order to participate in a bargaining or statutory council arrangement was actively supported by the appropriate fishing associations by divisional representatives in the affected divisions. This resulted in the establishment of the Amalgamated Fishing Employers Organisation (AFEO). A constitution was developed and approval of the registration of the organisation is awaited from the Department of Labour.

The Merchant Shipping Act, 57 of 1951, has also been reviewed and promulgation is awaited. There is a proposed eight-hour working day for seagoing employees which would not be applicable in the fishing sector where there are bargaining or statutory council structures in place. The impetus to become self-regulated is increasing as the impact on all players in the industry is significant – operationally, this would not be feasible to implement, due to fishing patterns.

OPERATIONAL REVIEWS: GROUP STRATEGIC SERVICES

ALETHEA CONRAD

Group Strategic Services (GSS) is a corporate division that provides shared specialist services to the group and operating divisions, thus allowing operational management to focus on core business issues. GSS provides both directional and advisory input to the business, and works with operating divisions to ensure consistent execution of strategy and policy within each division's operating context. GSS's role is to bring best practice into the business in the services offered and to drive the implementation of key group strategies while ensuring that accountability for delivery on projects remains with operational heads. We also support the company's growth strategies through providing critical services across the group during mergers and acquisitions and subsequent integration processes.

- **2nd** most empowered listed company in South Africa
- Independent **level 2 B-BBEE** rating with a score of **95,17** compared to 93,98 in 2012
- **54,9%** black ownership in Oceana
- **2 706** employee beneficiaries hold **13 986 967** shares in Oceana through the Oceana Empowerment Trust
- **R1,4 billion** spent on preferential procurement with BEE suppliers (2012: R1,1 billion)
- **R313,9 million** spent on preferential procurement with black-owned suppliers (2012: R211,3 million)
- **R98,8 million** spent on preferential procurement with black women-owned suppliers (2012: 87 million)

- **99,6%** of our targeted South African commercial fishing rights are on the SASSI green list
- Hake deep-sea trawl fishery MSC-accredited
- Hake operations retained MSC chain of custody certification
- IFFO RS-accreditation retained for Hout Bay and St Helena Bay fishmeal plants

- Included in the **top 10** on the Carbon Disclosure Leadership Index in 2010 and 2012
- Emissions intensity reduction from base years **-22%** (2012: -24%)
- Water usage per unit of activity **1,1** (2012: 1,0)
- **990** employees trained in climate change awareness
- Detailed information is included in the online sustainability report

- **R3,4 million** CSI investment in South Africa (2012: R3,3 million) (2011: R2,8 million)
- **N$12,8 million** CSI investment in Namibia (2012: N$1,9 million) (2011: N$2,8 million)

View more about Group strategic services: **www.oceana.co.za**

LEADING STEWARDSHIP OF MARINE RESOURCES

Ensuring the continued availability of the marine species that we harvest is fundamental to maintaining the sustainability of our business and delivering value for our stakeholders. We adopt and implement responsible fishing practices across our business, participate in partnerships to promote an ecosystems approach to fishing, promote research to ensure the sustainability of our marine resources, and enforce a zero tolerance approach towards illegal and unregulated fishing.

Given the highly regulated nature of the fishing industry and that access to marine resources is governed through a competitive application process, it is critical that our operations comply with government expectations, including in particular those relating to responsible fishing practices. The commercial team within GSS provides the necessary support to the group to ensure compliance with the Marine Living Resources Act, 18 of 1998 (MLRA), and the associated regulations and permit conditions. All crew receive training annually regarding permit conditions issued by the DAFF relating to the catching and processing of fishing rights. All incidents of non-compliance are reported and if required, disciplinary action is taken. Further detail regarding our compliance framework and our practices is provided in our online sustainability report.

Each year we commission and publish scientific studies relating to the marine resources that we harvest. The latest reports are available in our online sustainability report. We also engage with government regarding the methodology used in determining the TAC and allocating fishing rights, and we contribute to the success of these processes by assisting with the provision of reliable data.

We have developed key performance indicators (KPIs) and associated action plans that will assist us in assessing and reporting our performance on responsible fishing practices, promoting a responsible ecosystem approach to fishing, promoting energy-efficiency and managing the impact of climate change. During the year we agreed on these KPIs and associated action plans in discussion with the executive team, our sustainability forum and with managers within our operating divisions.

Promoting a responsible ecosystems approach to fishing

We strive to ensure that all commercial rights harvested are on the Southern African Sustainable Seafood Initiative (SASSI)'s green list. All but two of our South African commercial fishing rights fall within the green category of the updated SASSI list (see table below). Our rights relating to sole fishery were acquired with the acquisition of Lusitania last year; none of these rights were harvested in 2013. The west coast lobster fishery was placed on the orange list recently following a scientific recommendation for a reduction of the TAC not being followed by the DAFF. Since that time the DAFF has introduced measures to avoid a similar occurrence.

Commercial fishing right	SASSI[1] category
Anchovy	Green
Pilchard	Green
Squid	Green
South coast rock lobster	Green
Horse mackerel	Green
Deep-sea hake	Green
Sole	Orange
West coast rock lobster	Orange

[1] *The species on the list are assessed based on the health of the fisheries and are then allocated into a colour category. Green represents the most sustainable choice, orange indicates reasons for concern and red represents unsustainable fish populations that are illegal to buy and sell.*

All seagoing employees are required to attend responsible fisheries training to develop a clear understanding of the policies, regulations and management measures in place. Within Oceana we have trained 137 staff. SASSI training has also been identified for employees at different levels to improve internal knowledge. We assess the marine sustainability standards in each region that we procure fish from, and we have developed group-wide monitoring systems to report on all catches.

We are a founding member of the Responsible Fisheries Alliance (RFA), a partnership with WWF-South Africa, BirdLife South Africa and three other fishing companies. Good progress continues being made within the RFA in implementing an ecosystems approach to fisheries management and promoting responsible fishing practices. During the year the RFA's most successful projects were the responsible fisheries training programme, a bird mitigation plans project and the inshore trawl by-catch management programme. Since the inception of the responsible fisheries training programme by the RFA in 2010 more than 650 seagoing and prospective seagoing employees have attended this training. Further details regarding the activities of the RFA can be found on the RFA website.

Maintaining certification for responsible fishing practice

At Oceana we follow the requirements of two key certification initiatives: the Marine Stewardship Council (MSC) and the International Fishmeal and Fish Oil Organisation (IFFO).

During the year Intertek Moody Marine Limited conducted a surveillance of the South African hake trawl fishery and confirmed that the fishery continues to perform in line with the rigorous environmental standards of the MSC certification requirements. A challenge this year related to DAFF's initial inability to conduct the surveys required for MSC certification. The industry engaged with DAFF extensively to ensure that the importance of the MSC certification was appreciated. This resulted in the second hake survey being conducted with a chartered vessel. Another challenge was the TAC for west coast rock lobster. This remained unchanged during 2013, contrary to the scientific working group proposal, which had recommended a decrease.

In line with our commitment to the responsible sourcing of raw materials and the safe production of fishmeal and fish oil, during 2012 Lucky Star's fishmeal plants were certified as 'responsible supply' plants in terms of the IFFO requirements. During August 2013, feed materials assurance scheme (FEMAS) audits were conducted at both our fishmeal factories, a prerequisite for IFFO certification.

Engaging with government on fisheries policy

In November 2012 the Fisheries branch of DAFF provided the portfolio committee with a proposed plan outlining the fishing rights allocation process for 2013. DAFF also advised the committee that the existing general policy governing the allocation of fishing rights would be amended prior to the new rights allocation process. Given the significance of these policies for the current and future application processes, we lodged a comprehensive submission with DAFF. We have also responded formally to draft sector policies that were gazetted for comment. The final general and sector policies were gazetted in July 2013, together with an invitation to apply for rights. In the current year rights expired for only one sector in which we are active – the squid sector. The policy envisages that these rights will be allocated for a period of 15 years, which we welcome. We remain concerned, however, that the policy reflects a continued focus on a narrow measure of ownership, and does not apply the B-BBEE Codes in assessing transformation.

In April 2013, DAFF gazetted the Draft MLRA Amendment Bill, which proposes far-reaching amendments to fisheries management in South Africa. We were concerned with the nature and extent of the proposed amendments, as well as the limited time provided for engagement and comment. In seeking to address these concerns, we engaged directly with DAFF to understand and respond to the underlying objectives intended by the minister. We then developed a constructive proposal in response to the planned changes to ensure that the minister's objectives were achieved. We have been vocal in our view regarding the need to accommodate traditional small-scale fishers, and have expressed our commitment to working towards finding a solution that would accommodate deserving traditional small-scale fishers without compromising the status of near-shore fish stocks.

Following discussions within the industry and with DAFF, the department engaged with a group of industry players to discuss proposed amendments with the aim of developing a solution to ensure that the correct legal framework is in place to implement the small-scale fisheries policy timeously. A single submission was lodged by industry, which was discussed broadly with a number of stakeholders prior to submission. We believe that this process was innovative and constructive, and that it bodes well for future engagement with DAFF. The MLRA Amendment Bill has been approved by the portfolio committee and is likely to be passed into law in the current parliamentary session.

DRIVING TRANSFORMATION AND LOCALISATION

In line with our core purpose of being Africa's most efficient converter of fishing rights into value, we have a strong strategic commitment to meeting government expectations on transformation (in South Africa) and localisation (in Namibia). Delivering on this commitment not only contributes positively to the general business environment, but is also critical in maintaining our access to marine resources, particularly given the fact that the allocation of fishing rights will continue being governed through a competitive application process.

We are pleased to report that we have once again retained our level 2 B-BBEE rating in South Africa with a score of 95,17 (2012: 93,98) and a recognition rating of 125% for procurement in terms of the dti B-BBEE scorecard. We achieved increased scores in the management control, employment equity, skills development and preferential procurement elements compared to 2012. Scores in all other elements were maintained. This year we were rated as the second most empowered company in South Africa in the 2013 *Mail & Guardian*'s Most Empowered Companies ranking.

OUR B-BBEE PERFORMANCE

Ownership

The three major shareholders that contribute to Oceana maintaining its black-owned status are Tiger Brands Limited, Brimstone Investment Corporation and the Oceana Empowerment Trust. Collectively they comprise 66,10% of the group's share capital. We maintained our status of being a black-owned and black controlled company with a black shareholding of 55,8% (2012: 55,8%). During May this year Tiger Brands Limited, a major shareholder, increased its shareholding in the group from 37,4% to 41,9%.

Management control

Black representation at board level increased to 63,6% (2012: 54,6%) following the resignation of Rod Nicol and the appointment of Imraan Soomra as group financial director. Similarly, at the level of executive directors there was an increase to 66,7% (2012: 33,3%). This resulted in an increase in the score to 9,4 (2012: 8,8) out of 10 points.

Employment equity

There was an overall improvement in the representation of black managers for all management levels, which resulted in the sub-minimum score of 40% for each management category being met. We achieved a score of 9,6 (2012: 9,1) for 2013. Employment equity remains an area that will receive increased focus to ensure that the B-BBEE targets are met, particularly in light of the changes to the B-BBEE Codes. Further detail is provided in the human resources report (page 64 and 68) and in our online sustainability report.

Skills development

During the year there was a continued high focus on the training of employees with particular emphasis on black females and black disabled employees. The value of the training expenditure on all black employees increased to R17,5 million (2012: R13,3 million). Due to the significant increase in the leviable amount we were unable to achieve full points on two indicators. Despite this challenge the overall score increased to 14,51 (2012: 14,42).

Preferential procurement

There was an increased focus on procurement during the year. We conducted quarterly monitoring and undertook a group-wide gap analysis to review all suppliers' ratings; this has resulted in the expenditure with B-BBEE enterprises remaining well above the 70% target level. Expenditure with B-BBEE suppliers increased to R1,4 billion (2012: R1,1 billion). Expenditure with black female-owned suppliers increased to R98,7 million (2012: R87 million).

Enterprise development

Currently we have 13 joint ventures and vessel co-ownership arrangements. These involve 30 partners and 168 processing, marketing and supply arrangements in the pelagic, west coast rock lobster, horse mackerel, south coast rock lobster, hake and squid sectors. During the year the overall contribution to enterprise development initiatives increased to R29,9 million (2012: R25,3 million), which is a contribution of 10,9% of NPAT.

Socio-economic development (SED)

Our SED investment to beneficiaries with a black-beneficiary base above 75% was R3,3 million (2012: R3,3 million).

Further details regarding our B-BBEE compliance, our scorecard results for this year and the prior year, and our management practices in place, is provided in our online sustainability report.

Focusing on ownership

In light of the process governing the allocation of fishing rights, the manner in which DAFF assesses transformation has a critical bearing on our long-term success. Currently DAFF assesses transformation within the fishing industry on a narrow measure of ownership and management only. Given this approach, while our overall focus is on ensuring credible broad-based empowerment, the retention of our current level of black ownership of 55,8% is vital as we head into the next long-term rights application process during 2014. A key element of our long-term objective is to further improve the level of black ownership by 2020. A committee of executive and non-executive directors has been constituted to consider mechanisms and options to achieve this objective.

Delivering value through the Oceana Empowerment Trust

One of our most significant initiatives for delivering effective broad-based empowerment is the Oceana Empowerment Trust (the Trust). Previously known as the Khula Trust, its name was changed this year to reinforce and strengthen the link between the company and the empowerment initiative. Since its establishment, the Trust has created substantial value for black employees. With its 11,7% shareholding in Oceana the value of the Trust has increased significantly, receiving a total of R185 million in dividends. A third allocation of participatory rights was made during September 2013 to 800 black employees who joined Oceana after May 2010 and who were still in the group's employ on 1 August 2013. During the process, rights to 2,1 million shares with an accrued capital value of R168 million were allocated. Two prior allocations were made to employees, the first being in 2007 when 8 360 000 rights were allocated to 1 978 employees, and the second in 2010 when 7 938 000 rights were allocated to 2 347 employees. As at 30 September 2013, the market value of the shares owned by the Trust was R1,2 billion. This pre-tax value of the Oceana Empowerment Trust to employee beneficiaries, which excludes the amount due to the corporate beneficiaries of R140 million, amounts to R1,04 billion.

The Trust, which has three company-appointed trustees and three employee-elected trustees (including an independent trustee), met three times during the year. It implemented an advocacy programme this year to identify employee beneficiaries within the group who would be recognised and trusted by other employees as individuals who would champion their views in engaging on behalf of the Trust with the company and external stakeholders. Six champions were identified from different locations and at different levels within the group. These champions have had two meetings with the CEO; these have been very positive and open, with the champions raising questions that are on the minds of the employee beneficiaries, directly with the group CEO.

Engaging with government on transformation

We engaged with officials within DAFF and the dti throughout the year on the need to ensure consistency in how transformation is measured and assessed. In our submissions to DAFF on the general and sector policies we encouraged DAFF to apply the B-BBEE Act, 53 of 2003, and Codes of Good Practice in the fishing industry. We emphasised that this legislative framework is intended to promote black economic empowerment and to provide a framework for measuring transformation across sectors, on an equitable basis, taking into account the size of different entities, including small, medium and micro enterprises. Our view is that this will provide greater certainty in the industry regarding the measures to be applied and on the targets that all industry players should aspire to.

In March 2013, we made a presentation to the Trade and Industry Parliamentary Portfolio Committee. In our comments we argued strongly for consistency in how transformation is measured and we supported inclusion of the trumping provision, which would ensure that the B-BBEE legislation would take precedence over other legislation. A further submission was made to the National Council of Provinces during September. The Draft Bill is likely to be finalised during the current parliamentary process.

Engaging with Namibian government

We engaged with the Ministry of Fisheries and Marine Resources (MFMR) regularly during the year on both a formal and informal basis. A key issue discussed related to the allocation of the horse mackerel quota which had been reserved to secure further quota so that our vessels would continue operating and thereby avoid reducing our workforce. We also attended and participated in various workshops, including the –

- Law Reform and Development Commission on the management, protection and utilisation of marine resources;
- horse mackerel management plan for the MFMR; and the
- value addition and job creation possibilities in the horse mackerel sector.

During the year we arranged two formal functions which the minister attended, firstly to hand over donations by the Arechanab Community Trust of N$2,6 million and secondly, to hand over a donation to the Namibian government's drought relief effort of N$10 million.

BUILDING TRUSTED RELATIONSHIPS

GSS plays a key role in ensuring the delivery of this strategic objective, primarily through our activities in engaging with local communities. We aim to create shared value for government and local communities through providing quality employment opportunities, implementing sustainable CSI projects, supporting local suppliers through enterprise development initiatives and partnering with community organisations where possible on a business level.

Investing in host communities in our South African operations

Our strategic corporate social investment programme, which is implemented in South Africa through the Oceana Foundation, provides a platform for engaging with the communities in the areas we operate. The Foundation's focus during the year was directed towards education and food security projects in Hout Bay, St Helena Bay, Lambert's Bay and Port Elizabeth. The engagement process with school principals, teachers, members of school governing bodies and departmental officials has resulted in meaningful relationships being established with stakeholders regarding Oceana as a key partner.

This year we continued focusing on improving the existing infrastructure at schools. This included upgrading school buildings and grounds as well as assessing each school's needs in respect of the existing kitchen infrastructure. Our aim is to improve existing facilities at schools to ensure that a more conducive learning environment is created. We performed a detailed needs assessment at schools in Hout Bay, St Helena Bay and Lambert's Bay before meeting with the Department of Education to agree which schools were most in need of assistance to improve their kitchen facilities.

We have assisted in installing fully equipped feeding kitchen facilities at six schools located in St Helena Bay, Lambert's Bay and Hout Bay. We have also invested in upgrading school buildings in each of these areas as well as in Port Elizabeth. During the year, Lucky Star invested in the Kommunity Lapdesk project, which has benefited all the primary schools in Hout Bay, St Helena Bay and Lambert's Bay. Through this project, light, durable polymer desktops that can be balanced on a child's lap, have been provided to 5 706 students, most of whom do not have access to proper desks.

The Oceana Foundation has also continued its partnership with Stop Hunger Now Southern Africa (SHNSA) through various meal packaging events. SHNSA offers a social investment opportunity to provide fully balanced nutritional meals for pre-school children. The Oceana Foundation arranged meal packaging events at which 17 496 meals were packaged. On Nelson Mandela Day staff members at Oceana House in Cape Town contributed 67 minutes of their time towards packaging a total of 17 496 meals. The meals were distributed to four crèches in Hout Bay. The Foundation also sponsored a public meal packaging event on the same day at which 8 208 meals were packaged. A further meal packaging event held on World Food Day for employees based in St Helena Bay resulted in 14 000 meals being packaged.

The Foundation also provided donations of canned fish product to crèches in St Helena Bay, to TSiBA Education, FoodBank in Durban and certain non-profit organisations in Johannesburg. During the year the Foundation responded to a request from DAFF and donated R250 000 worth of product to assist 180 000 farm workers and communities affected by strike action in the Western Cape.

Our CSI initiatives in Namibia

Oceana is a large employer in Walvis Bay, Namibia and invests significantly in projects within various communities within the area. Its projects are aimed at advancing cultural, social and educational needs of various communities.

During this financial year, we invested N$2 375 000 in various community education projects. We funded the construction of two classrooms and school desks, provided a school bus, invested in the construction and maintenance of school buildings, contributed to teachers' salaries, and made donations towards school funds in numerous schools in the communities in which we operate. In addition, we provided bursaries to five full-time students, and supported the annual Erongo Science Fair.

We have also supported various initiatives relating to food security and welfare. In response to the Namibian Government's request to assist vulnerable people affected as a result of the drought, we provided assistance through the donation of fish to the value of N$10 million. We have also donated funds to a welfare organisation that services various communities within Walvis Bay, and to an after-school programme that supports orphans and vulnerable children in Walvis Bay.

Further detail regarding the Foundation's activities and further CSI initiatives undertaken in Namibia is included in the online sustainability report.

OPTIMISING OUR OPERATIONS

Ensure that quality, cost-effective, flexible and reliable services are provided to the operating divisions

Following the organisational effectiveness process conducted in 2010 – in which the primary focus was to reduce duplication, improve organisational efficiency and consistency in approach – the GSS division was constituted. The commercial function was managed through a central commercial forum that was operational in nature, with representatives from each division. The commercial function plays an integral role in managing some of the key business risks facing the group, ensuring that the company achieves high levels of compliance and a consistent response to policy and legislative changes.

Following a review of the effectiveness of the mixed reporting structure a decision was made at the start of the 2013 financial year to fully centralise the commercial function within GSS, to ensure that the team was best structured to suit business needs. The rationale for the centralisation was to:

- increase efficiency and reduce duplication of activities across the function;
- reduce costs through a less fragmented approach to consulting with external advisors;
- share professional resources;
- improve consistency in the management of risks and implementation of mitigation measures; and
- allow for a higher level of specialisation in areas that are critical.

Increase our focus on reducing duplication across the group in respect of the services provided

There is a continuing focus on reducing duplication and improving efficiencies through innovative and cost saving initiatives. A project which was started during the year was to assess existing procurement practices with a view to develop a business case for centre-led procurement.

Promoting energy-efficiency and managing the impact of climate change

During the year there was an increased focus on improving our energy-efficiency, reducing the consumption of non-renewable energy and on assessing and responding to the possible impact of climate change.

- *Improving energy-efficiency and reducing consumption of non-renewable energy*: This year all divisions undertook a review of their energy usage and presented a comprehensive list of options and corresponding cost implications for mitigation measures. An external consultancy was commissioned to develop an energy and emissions reduction action plan that would provide the basis for determining divisional emissions-reduction targets; they also provided practical guidance on how to achieve agreed targets. During the process we reviewed our historic carbon footprint assessments, as well as the results from our energy-efficiency audits and carbon emission reduction activities. Our group-wide energy reduction plan includes short, medium and long-term targets linked to energy-efficiency projects and renewable energy projects. Each division's targets differ as the utilisation of energy varies annually from division to division.
- *Reducing our freon consumption*: Internal systems have been developed to track and report on our freon consumption and to ensure that actions are taken to reduce any identified leakages.
- *Maintaining our position in the CDP (formerly known as the Carbon Disclosure Project)*: This was the fourth year in which we participated in the CDP. This investor-driven initiative encourages companies to measure and disclose their GHG emissions. We retained a disclosure score of 95% in the 2013 CDP (2012: 95%) and received a gold award for being placed within the Top 10 companies on the Carbon Disclosure Leadership Index in 2010 and in 2012. To ensure that a high level of disclosure is maintained in the CDP, quarterly reporting on energy costs, environmental expenditure and cost savings from environmental initiatives have been introduced.
- *Climate change awareness and adaptation measures*: During the year 990 employees attended awareness training on climate change issues. We also completed and published a study on the fishing industry's role in adapting to climate change. We have commissioned a climate change risk and vulnerability study to establish the risks we face, our vulnerability to those risks and the measures needed to manage these risks.

Additional information on our energy costs, environmental expenditure, water usage and our energy and carbon reduction initiatives, is available on the group website, in our 2013 Carbon Footprint Report and in our online sustainability report.

OCEANA HAS CONTINUED TO DELIVER A STRONG PERFORMANCE DURING THE YEAR, SHOWING POSITIVE GROWTH IN NET EARNINGS AND REVENUE ACROSS ALL DIVISIONS.

View more information on our website: **www.oceana.co.za**

OVERVIEW

Despite the difficult market conditions facing business in general, and the South African food sector in particular, Oceana has once again returned a good performance, providing positive returns to our shareholders and other stakeholders. As with other companies in the food sector, we felt the impact this year of a flat economy, with a reduction in consumer demand for protein and staple foods mainly due to increasing economic pressure. The challenging market context, characterised in particular by the reduced demand for our canned fish product, was exacerbated by this year's unusually low catch of industrial fish.

Notwithstanding this tough business environment, each of the four operating segments contributed positively to the 8% increase in group revenue this year, with the most significant revenue growth (14%) coming from our horse mackerel and hake division.

This year we declared a final dividend of 222 cents per share; coupled with the interim dividend of 100 cents per share, this resulted in a total distribution of 322 cents per share for the year. We also continued to deliver significant value for our other stakeholders – in the form of jobs, share ownership and other benefits for our employees, tax revenues for government, valued cost-effective protein for our main customer base, mutually beneficial relationships with our contractors, and continued investment in enterprise development, education and other initiatives in our host communities.

Our continuing ability to deliver value to all our stakeholders reflects the successful implementation of our strategic objectives, as well as the scale and diversified nature of our fishing portfolio. Being a large player in the sector provides us with the necessary economies of scale to operate the capital-intensive fleet needed to harvest marine resources efficiently and sustainably. These benefits of scale are further enhanced by the diversity of our fishing portfolio and customer-base, both of which ensure greater resilience in the context of cyclical fishing patterns and ongoing market volatility.

PROTECTING OUR ABILITY TO CREATE VALUE: DELIVERING ON TRANSFORMATION

The principal risk impacting the group's capacity to generate value is the possible reduction in the volume of fish stocks available to the group as a result of changes in the allocation of fishing rights. South African fishing rights will be coming up for renewal soon, commencing with squid at the end of December 2013, followed by lobster in 2015 and hake trawl and pelagic in 2020. The group's performance on empowerment and transformation issues – and the nature of stakeholders' perceptions regarding our performance – is critical to protecting our existing fishing rights and to acquiring potential additional rights. Driving transformation in South Africa and localisation in Namibia are thus key strategic priorities.

Given the significance of these issues, it is pleasing to see the progress achieved over the reporting period in further improving Oceana's empowerment credentials and in promoting localisation in the Namibian operations. In South Africa, this year the group achieved a Level 2 B-BBEE contributor score of 95,17, and the company was rated by the *Mail & Guardian* as the second Most Empowered Company on the JSE. We have continued to engage actively throughout the year with government with the aim of encouraging a consistent assessment of transformation.
We support government adopting a trumping provision that requires the broad-based approach provided for in the dti's B-BBEE Codes to be the measure of transformation, rather than DAFF's narrower measure of ownership and management only. While the group retains its focus on promoting empowerment across all measures, we recognise the need to maintain at least our current level of black ownership of 54,9%.

An important demonstration of the group's commitment to promoting genuine broad-based empowerment is the Oceana Empowerment Trust, the company's black employee share scheme.

AS A FISHING COMPANY, WE ARE ULTIMATELY CONTRACTING WITH NATURE; IN THE LONG-RUN, OUR BUSINESS IS ENTIRELY DEPENDENT ON THE HEALTH OF OUR FISHING RESOURCES.

PROMOTING SUSTAINABLE RESOURCE MANAGEMENT

As a fishing company, we are ultimately contracting with nature; in the long-run, our business is entirely dependent on the health of our fishing resources.

We recognise that being the largest fishing company in Africa, the Oceana Group has a particular responsibility to play in promoting the long-term sustainability of the region's fish stocks. As outlined elsewhere in this report, the group continues to show its strong commitment to promoting sustainable resource use. In addition to driving responsible fishing practices across the business, we play a leading role in various industry-wide partnerships aimed at promoting an ecosystems approach to fishing. We also commission and support relevant scientific research, and we engage proactively with government regarding the methodology used in determining the TAC. Following recent concerns regarding the state of the government's fisheries research vessel, we have provided our support to the government to undertake the required pelagic surveys.

While the most recent scientific studies (all of which are publicly available on the Oceana website) indicate that our sourced biomass of hake, horse mackerel and industrial fish are stable, we recognise the importance of rebuilding stocks of lobster and squid. Over the year we have liaised actively with government to inform the development of a pragmatic fisheries policy that will not undermine the long-term viability of the resource. In our engagements we have highlighted the importance of providing for deserving traditional small-scale fishers, without undermining the status of the affected fish stocks.

Over the past few years, weather patterns have been noticeably more volatile, impacting our ability to efficiently land our full quota. This year, despite indications that there was available stock, all of us in the sector saw a substantial reduction in the ability to access and land industrial fish, with significant implications for our fishmeal business.

PROMOTING GOOD GOVERNANCE AND INTEGRATED REPORTING

As a highly-regulated industry, in which access to fishing quota is governed through a competitive application process, it is critical that we maintain a strong focus on compliance issues. The group has a very clear position that it operates responsibly and ethically in strict accordance with the law and the King III principles of good corporate governance.

The social, ethics and transformation committee, established in 2011, has been tasked with ensuring effective monitoring and reporting of the group's compliance and activities in the areas of transformation, sustainability, health and public safety, corporate social investment and human resources. We implement various training and education initiatives to ensure that employees understand the legal parameters within which they need to execute their duties.

In line with our understanding of best practice in this field, this year's integrated report provides a clear account of the group's business model and value drivers. The report reviews our strategic approach to addressing the risks and opportunities facing the business, it outlines our performance in delivering on our commitment to sharing value, and it provides assurance about the application of good governance principles. From this year a full set of annual financial statements is not being posted to shareholders, but is being made available through Oceana's website or on request from our group company secretary. We have included within the report a summarised financial report providing stakeholders with a snapshot of the company's financial performance.

LOOKING AHEAD

Given Oceana's strong management team and staff, our demonstrated ability to deliver organic and acquisitive growth, and the diversified nature and size of our fishing portfolio, I remain confident of the group's continuing ability to deliver value. I believe that the management team's clear focus on acquiring and retaining fishing rights, on pursuing growth in existing and new markets, and on maximising efficiencies, particularly in those divisions that yielded lower than expected returns this year, will ensure that it realises its vision of being Africa's most efficient converter of fishing rights into value.

APPRECIATION

I would like to thank Oceana's board of directors, both collectively and individually, for demonstrating the necessary commitment, skill and expertise in delivering effectively on their fiduciary responsibilities over the year. I extend a warm welcome to Imraan Soomra, who joins the Oceana board as group financial director and thank his predecessor, Rod Nicol, for his noteworthy and significant contribution over his 27 year period at Oceana. I also welcome Noel Doyle, who returns to the Oceana board as a Tiger Brands representative, and thank his predecessor, Phil Roux, for his important contribution whilst a member of the Oceana board.

My thanks are extended also to the Oceana management team and staff, and to our suppliers, customers and host communities for their support during the year. It has also been encouraging to see the improved working relationship that has been developed this year.

I look forward to another successful year within the Oceana Group.

MUSTAQ BREY
Chairman

4 December 2013

DIRECTORATE

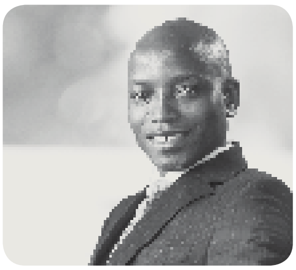












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CHAIRMAN

1. Mustaq Ahmed Brey† (59)
CA(SA)
Appointed to the board in 1995
Non-executive director
Chief executive officer of Brimstone Investment Corporation Limited

Mustaq qualified as a chartered accountant in 1978 and started his own practice, M Brey & Associates, which became the largest black auditing practice in the country and later merged with Ernst & Young. He serves on a number of listed and unlisted companies' boards and on several audit committees. Mustaq is active in his community and has set up various community development structures.

CHIEF EXECUTIVE OFFICER

2. Francois Paul Kuttel°◊• (45)
BAA (University of San Diego)
Appointed to the board in 2009

On graduation, Francois joined his family's US-based fishing operations. He returned to South Africa in 1995 as managing director of Namibian Sea Products. He was chief executive officer of I&J for three years prior to being appointed to the Oceana board as chief executive officer in 2009.

GROUP FINANCIAL DIRECTOR

3. Imraan Soomra°◊ (38)
BCompt (Hons), CA(SA), PLD Harvard Business School
Appointed to the board in 2013

Imraan is an experienced chartered accountant who has worked in a diverse set of industries during the course of this career. He held the position of financial director of Netcare Limited's Hospital Division from 2010 to 2013 and was previously with MultiChoice from 2003 until 2010, as head of channels at SuperSport International as well as financial director of M-Net and SuperSport.

GROUP STRATEGIC SERVICES DIRECTOR

4. Alethea Berenice Anne Conrad°◊• (49)
BA LLB (Rhodes)
Appointed to the board in 2007

Alethea was admitted as an attorney in 1989 and practised as an attorney before joining Transnet as a legal advisor in 1993. She joined Blue Continent Products in 1998, and served as commercial manager and commercial director before being appointed commercial manager of Oceana in 2001. In 2004, she was appointed group transformation manager and a member of the Oceana executive.

NON-EXECUTIVE DIRECTORS

LEAD INDEPENDENT DIRECTOR

5. Saamsoodein Pather*† (63)
BBusSc, BCom (Hons), MBA (Cape Town)
Appointed to the board in 1996
Independent
Director of companies

Since graduating from the University of Cape Town in 1973, Shams has been actively involved in investment management, which has included senior executive functions at Colonial Mutual Assurance Company, Southern Life and Real Africa Holdings. He is currently a director of Coronation Fund Managers and Lungisa Investment Holdings.

6. Zarina Bibi Mahomed Bassa*◊ (49)
BAcc and Dip Acc (UDW), CA(SA)
Appointed to the board in 2011
Independent
Executive chairman of Songhai Capital Proprietary Limited

Zarina sits on several boards including Kumba Iron Ore, Vodacom South Africa, Sun International, the Lewis Group, Senwes, the Financial Services Board and Woolworths Holdings. Zarina was executive director responsible for private banking at Absa and was a partner at Ernst & Young prior to that. Zarina was named Top Woman in Business at the Top Women in Business and Government awards in 2007 and Top Business Personality in Financial Services: Banking in 2008.

7. Peter Gerard de Beyer*† (58)
BBusSc (Cape Town), FASSA
Appointed to the board in 2008
Independent
Director of companies

Peter joined Old Mutual in 1978, was appointed deputy managing director of Old Mutual Life Assurance Company (South Africa) in 2000, and retired in November 2008. He sits on a number of boards, including Real People Investment Holdings and certain Old Mutual group subsidiary companies. Peter is a Fellow of the Actuarial Society of South Africa.

8. Noel Patrick Doyle◊ (47)
FCS, CA(SA)
Appointed to the board in 2013

Noel qualified as an accountant in Ireland in 1988 before joining Price Waterhouse in Johannesburg in 1989 where he worked for six years serving clients predominantly in the hotel and financial services sector. In 1995, he joined Southern Sun in a financial role and when he left Southern Sun in 1998 to join Tiger Brands he was corporate financial services director. He was appointed to Tiger Board in 2006 and in addition to his role as chief financial officer he was responsible for IT, investor relations as well as Tiger's fishing interests. Noel left Tiger in 2008. After serving as chief executive officer of diversified Motor Group Bluespec Holdings for a year, Noel joined Nando's as chief executive officer of the Southern African business in 2009. He rejoined Tiger Brands in July 2012 as business executive responsible for the grains portfolio.

9. Peter Bambatha Matlare† (54)
BSc (Hons), MA (Southern African Studies) (York)
Appointed to the board in 2008
Chief executive officer of Tiger Brands Limited

Peter joined Tiger Brands in April 2008 as chief executive officer. His career spans executive positions with the Urban Foundation, Citibank, the Chamber of Mines, the Primedia group, the South African Broadcasting Corporation and the Vodacom group. He is a past chairman of the National Association of Broadcasters, a director of the Association of Advertisers, and a founding director of the National Electronic Media Institute of South Africa.

10. Nomahlubi Victoria Simamane•† (54)
BSc (Hons) (UBS – UK)
Appointed to the board in 2009
Independent
Chief executive officer of Zanusi Brand Solutions Proprietary Limited

Nomahlubi graduated as a biochemist and worked for Unilever for 12 years and for British American Tobacco as marketing director for five years. In 1999, she was appointed managing director of BLGK Bates. Nomahlubi sits on several boards including JSE-listed Cashbuild and Foschini Group. She was the 2009 winner of the Top Businesswoman of the Year Award in the National Business Awards run by Topco Media and named the Businesswoman of the Year at the 2009 Black Business Awards run by BBQ.

11. Takula Jenkins Tapela• (45)
BCompt (Unisa)
Appointed to the board in 2009
Managing executive of Brimstone Investment Corporation Limited

TJ joined Brimstone Investment Corporation in 2005. Prior to this, he was executive assistant to the managing director at Old Mutual South Africa, having worked in Old Mutual's Corporate Finance team for two years. He has served as an executive director within the African Harvest group and worked for Delta Corporation (SAB) and the JSE's Inspectorate division.

* *Audit committee*
◊ *Risk committee*
† *Remuneration and nominations committee*
° *Executive director*
• *Social, ethics and transformation committee*

Information as at 4 December 2013

EXECUTIVE COMMITTEE

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1. Francois Paul Kuttel°◊• (45)
BAA (University of San Diego)
Chief executive officer
Oceana Group
Number of years' service – 4

On graduation, Francois joined his family's US-based fishing operations. He returned to South Africa in 1995 as managing director of Namibian Sea Products. He was chief executive officer of I&J for three years prior to being appointed to the Oceana board as chief executive officer in 2009.

2. Neville Donovan Brink◊ (53)
Managing director
Blue Continent Products
Number of years' service – 26

Neville obtained his marketing qualifications with the Institute of Marketing Management in Johannesburg. He worked in various marketing and sales positions at Adcock Ingram, before moving to Federal Marine, and then Oceana as marketing director of the Oceana Fishing Division. Neville was appointed managing director of Oceana Lobster, Calamari Fishing and Lamberts Bay Foods in 2005 and assumed the position of managing director of Blue Continent Products from 1 February 2011.

3. Alethea Berenice Anne Conrad°◊• (49)
BA LLB (Rhodes)
Group strategic services director
Oceana Group
Number of years' service – 14

Alethea was admitted as an attorney in 1989 and practiced as an attorney before joining Transnet as a legal advisor in 1993. She joined Blue Continent Products in 1998, and served as commercial manager and commercial director, before being appointed commercial manager of Oceana in 2001, and in 2007, a member of the board. In 2004, she was appointed group transformation manager and a member of the Oceana executive. In April 2008, she became managing director of Blue Continent Products' Hake Division.

4. Lourens de Waal◊ (47)
HND in Cost & Management Accounting (CapeTech)
Managing director
CCS Logistics
Number of years' service – 2

Lourens worked for I&J from 1994 to 2000 as the administration manager and then national and export distribution manager. He joined Vector in 2000, holding the position of general manager for sales and distribution while it was part of the I&J business and was then appointed as customer and supply chain director at Vector Logistics in 2007. Lourens attended the Executive Development Programme of UCT and Michigan University and is a member of several international industry bodies. He joined Oceana on 1 December 2011.

5. Barrie James King◊ (62)
BCom (Hons) (UCT), CA(SA)
Compliance executive
Oceana Group
Number of years' service – 12

Barrie joined Oceana as financial director of the Erongo Group in Walvis Bay and, following restructuring in the group, was appointed financial director of Blue Continent Products in 2005. In 2007, Barrie was appointed managing director of Blue Continent Products and group compliance executive from February 2011.

6. Imraan Soomra°◊ (38)
BCompt (Hons), CA(SA), PLD Harvard Business School
Financial director Oceana Group

Imraan is an experienced chartered accountant who has worked in a diverse set of industries during the course of this career. He held the position of financial director of Netcare Limited's Hospital Division from 2010 to 2013 and was previously with MultiChoice from 2003 until 2010, as head of channels at SuperSport International as well as financial director of M-Net and SuperSport.

7. Gavin Andrew Rhodes-Harrison◊ (60)
BSc Bldg Mgmt (UND)
Managing director
Lucky Star
Number of years' service – 14

On graduation, Gavin held various managerial and senior leadership positions in project management, specialised engineering and construction and general management. Gavin joined the Oceana Fishing Division in 1999 and was appointed managing director of Oceana Operations in 2002 and of Lucky Star in 2005.

8. Suleiman Salie◊ (46)
BSc Mech Eng (UCT)
Managing director
Oceana Lobster, Calamari Fishing and Lamberts Bay Foods
Number of years' service – 3

Suleiman graduated in 1989 and joined I&J in 1990 as a graduate engineer. After progressing into management positions in the engineering and production disciplines of I&J's processing plants, he was appointed operations director in 2004. In this position, which he held until 2010, he provided strategic leadership to I&J's fishing operations. He represents Oceana on a number of fishing industry associations.

9. Jane Louise Wilkinson◊ (44)
BA (Hons) Public Adm (Hallam), CF-CIPD (UK)
Human resources manager
Oceana Group
Number of years' service – 16

After graduating from Sheffield Hallam University, UK, in 1994, Jane graduated from the Chartered Institute of Personnel and Development (UK). She spent time working for Safeway Stores, UK, and Pharmaceutical Benefit Management, South Africa, before joining Oceana in 1997. Jane was appointed group HR manager in 2002.

◊ *Risk committee*
° *Executive director*
• *Social, ethics and transformation committee*

Information as at 4 December 2013

THE PRINCIPLES AND STRUCTURES FOR GOOD CORPORATE GOVERNANCE ARE IN PLACE THROUGHOUT THE GROUP AND OPERATING WELL. THE GROUP COMPLIES SUBSTANTIALLY WITH THE PRINCIPLES AND SPIRIT OF THE KING III CODE.

Oceana is committed to good corporate citizenship and governance. Corporate policy is aimed at managing the group's business operations in an ethical and responsible manner, after considering prudently determined risk parameters.

COMPLIANCE WITH KING III

In recognition of the need to conduct the affairs of the group according to the highest standards of corporate governance and in the interests of investor protection, the group's commitment to good governance is formalised in charters, policies and operating procedures. These are intended to cover all aspects of the organisation's activities, wherever situated, and of reporting internally and to stakeholders. The board is committed to achieving high standards of corporate governance, business integrity and ethics across all its activities.

The principles and structures for good corporate governance are in place throughout the group and operating well. The directors are satisfied that the group complies substantially with the principles and spirit of the King Code of Governance Principles for South Africa, 2009 (King III). The group has elected not to apply the following recommendations contained in King III:

- The chairperson of the board, while being a non-executive director, is not independent. A full explanation is provided under the heading 'Independence of chairperson'.
- While both the chairperson of the board and the lead independent director are members of the remuneration and nominations committee, neither chair the committee. A full explanation is provided under the heading 'Board committees'.
- While the social, ethics and transformation committee comprises only board members and is chaired by an independent non-executive director, it does not have a majority of non-executive directors. A full explanation is provided under the heading 'Board committees'.
- Non-executive director fees are not based on an attendance fee per meeting. Attendance at meetings has generally been very good and where directors are unable to attend a meeting, they have contributed to matters to be considered at meetings.

A full King III compliance checklist can be found on the company's website at www.oceana.co.za.

COMPLIANCE WITH THE JSE LISTINGS REQUIREMENTS

The company is fully compliant with the Listings Requirements, as amended.

BOARD CHARTER

The board has a formal charter setting out, inter alia, its composition, meeting frequency, powers and responsibilities, particularly with regard to financial, statutory, administrative, regulatory and human resource matters. The charter sets out a clear division of responsibilities at board level to ensure a balance of power and authority.

The board charter includes a formal schedule of the matters it oversees, including reviewing and guiding corporate strategy, risk policies, annual budgets and business plans and monitoring corporate performance. The charter is reviewed annually.

INDEPENDENCE OF CHAIRPERSON

Oceana has a unitary board structure. The offices of chairperson and CEO are separate with segregated duties. The chairperson is non-executive but not independent in terms of the King III definition. After due consideration of MA Brey's qualifications, experience, attributes and interaction with the board, his fellow directors are of the view that it is in all circumstances, satisfactory and appropriate for him to chair the board. This is notwithstanding the fact that he does not fulfil the strict criteria of "independence" as set out in King III.

In line with international corporate governance best practice and the JSE Listings Requirements, S Pather has fulfilled the role of lead independent director.

COMPOSITION OF BOARD

The board currently has 11 members, of whom three are executive directors. Of the eight non-executives, four are independent. The board is comfortable with the conclusion of the remuneration and nominations committee that with 8 out of 11 directors being non-executive, and having a lead independent director, is presently sufficient to meet the recommendation that the majority of non-executives be independent.

There is a formal, transparent board nomination process in terms of the policy detailing the procedures for appointment to the board. Directors are appointed, subject to re-election by the shareholders and to the Companies Act, 71 of 2008 (Companies Act), provisions relating to removal, and retire by rotation every three years or as required by the Companies Act and/or the memorandum of incorporation. Candidates for directorship are carefully considered by the remuneration and nominations committee. Shareholders are informed of the names of the candidates submitted for re-election as directors. In order to enable shareholders to make an informed decision regarding election, the candidate's biographical data, the term of office currently served and any other particulars required by law are made available to shareholders. Reappointment of directors is not automatic.

Board changes during the year were as follows: PM Roux (non-executive) and RG Nicol (executive) resigned as directors of the company, PM Roux with effect from 22 February 2013 and RG Nicol with effect from 30 June 2013. NP Doyle (non-executive) and I Soomra (executive) were appointed as directors of the company, NP Doyle on 8 April 2013 and I Soomra on 1 July 2013.

Details of the directorate appear on page 89 of this report.

BOARD MEETINGS

The board meets quarterly, with one further meeting during the year to review and approve the strategic plans. Additional meetings are convened as and when necessary. The board met five times during the year. The attendance at board meetings is detailed below:

Director	8/11/2012	14/02/2013	09/05/2013	20/06/2013	15/08/2013
Independent non-executive					
ZBM Bassa	A	√	√	√	√
PG de Beyer	√	√	√	√	√
S Pather	√	√	√	√	√
NV Simamane	√	√	√	A	√
Non-executive					
MA Brey (Chairman)	√	√	√	√	√
NP Doyle (Appointed 8 April 2013)	n/a	n/a	√	√	√
PB Matlare	A	√	√	√	A
PM Roux (Resigned 22 February 2013)	√	A	n/a	n/a	n/a
TJ Tapela	√	√	√	√	√
Executive					
FP Kuttel (Chief Executive Officer)	√	√	√	√	√
I Soomra (Group Financial Director) (Appointed 1 July 2013)	n/a	n/a	n/a	n/a	√
RG Nicol (Resigned 30 June 2013)	√	√	√	√	n/a
ABA Conrad	√	√	√	√	√

√ indicates attendance
A indicates apologies tendered

Continuing professional development (CPD) of individual directors is encouraged. The company does not provide specific in-house programmes for this. Directors are expected to attend to this requirement according to their profession's prescriptions, attendance at seminars, presentations and workshops, and by following business reporting in the media.

BOARD COMMITTEES

Subject to those matters reserved for its decision, the board delegates certain responsibilities to four committees, namely audit, remuneration and nominations, risk, and social, ethics and transformation, all of which have their own charters, published on www.oceana.co.za. Each of these committees is chaired by an independent non-executive director.

The audit committee has complied with its statutory obligations and discharged its duties in accordance with its mandate and charter. The board is satisfied that it has an effective and independent audit committee. One of the tasks assigned to the audit committee by the board was to ensure that the company has an appropriate information technology governance framework in place. However, the board remains responsible for and has satisfied itself based on reports received from the audit committee that an appropriate information technology governance framework exists and is functioning effectively. The board reviewed and approved the audit committee charter which was updated during the year. Two audit committee meetings were held during the year, both of which were fully attended. The full report of the audit committee can be found on page 4 of the AFS. (http://oceana-integratedreport.co.za/group-financial-statements.)

The board, while having assigned the oversight of the company's risk management function to the risk committee, has dealt with the governance of risk comprehensively during the year under review. It had done so through consideration of biannual reports from the risk committee and audit committee chairpersons and review of the self-assessment results of both these committees. The board reviewed and approved the risk committee charter which was updated during the year. Meetings held in the year were fully attended.

The composition of the remuneration and nominations committee comprises five non-executive directors, three of whom, are independent. Both the chairman of the board and the lead independent director are members of the remuneration and nominations committee but do not chair the committee. The remuneration and nominations committee is chaired by PG de Beyer who is an independent non-executive director. The board is of the view that PG de Beyer's background and qualifications are appropriate for him to chair this committee. The committee has assisted the board with ensuring that the company remunerates its directors and executives fairly and responsibly and also with ensuring that appropriate succession planning is in place at a board, executive and senior management level. The board is satisfied that the committee has fully performed in accordance with its charter. The board reviewed and approved the remuneration and nomination committee charter. Of the four committee meetings held in the year there was full attendance at three. PB Matlare was unable to attend one of the meetings.

The social, ethics and transformation committee comprises one non-executive director, two executive directors and one independent non-executive director who chairs the committee. The group compliance executive and group human resources manager attend committee meetings as subject matter experts. The board is satisfied that the current members of the social, ethics and transformation committee have sufficient expertise and knowledge on matters to be considered by the committee in performance of its duties under the Companies Act.

Members of committees at year-end are stated in the table below:

Audit committee	S Pather (chairman); ZBM Bassa; PG de Beyer
Remuneration and nominations committee	PG de Beyer (chairman); MA Brey; PB Matlare; S Pather; NV Simamane
Risk committee	ZBM Bassa (chairman); ND Brink; ABA Conrad; LJ De Waal; NP Doyle; BJ King; FP Kuttel; I Soomra; GA Rhodes-Harrison; S Salie; J Wilkinson
Social, ethics and transformation committee	NV Simamane (chairman); ABA Conrad; FP Kuttel; TJ Tapela

There were a number of changes to the risk committee during the year: PM Roux and RG Nicol resigned as members of the committee, PM Roux with effect from 22 February 2013 and RG Nicol with effect from 30 June 2013. ZBM Bassa replaced PM Roux as the chairman of the committee. NP Doyle and I Soomra were appointed as members of the committee, NP Doyle with effect from 2 May 2013 and I Soomra with effect from 15 August 2013.

INDUCTION OF DIRECTORS

Oceana recognises that an induction programme enables a new director to make a positive contribution to the board. Its induction programme is designed to familiarise incoming directors with the group's operations, business environment and sustainability issues relevant to its business. It includes guidance regarding the responsibilities, powers and potential liabilities of a director, as well as operational aspects specific to the group. The company secretary assists in this process where appropriate. Two new directors, NP Doyle and I Soomra, were appointed during the year. NP Doyle had previously served as a director of the company and was accordingly reintroduced to company structures, governance and operations. I Soomra has been fully integrated into the company's board structures, executive committee and group operations.

BOARD EVALUATION

Formal evaluations of the performance of the board, its committees and individual directors were carried out during the year. The evaluation process included an appraisal of the chairperson of the board. The performance of the chief executive officer was also formally evaluated. The directors are aware of the need to convey to the chairperson of the board any concerns that they may have in respect of the performance and conduct of their peers or the board as a whole. The results of this year's assessments were reviewed by the board and considered to be satisfactory. Performance evaluations are taken into account prior to directors being nominated for re-election.

The board concluded after due assessment, following enquiry of and among themselves, and after discussion, that Oceana's four independent non-executive directors should be considered to be independent.

The independence of non-executive director S Pather who has served a term of greater than nine years has been confirmed after an independence assessment by the board. The assessment confirmed that his independence of character and judgement was not in any way affected or impaired by his length of service.

COMPANY SECRETARY EVALUATION

The group company secretary guides and advises the individual directors and the board collectively on discharging their responsibilities and duties and on matters of good governance.

The board concluded after due assessment, following a review by the remuneration and nomination committee of the company secretary's qualifications, experience and performance, and due enquiry of and among themselves, that the company secretary has the necessary qualification, competence and expertise and that she has maintained an arm's length relationship with the board and its directors.

CONFLICT OF INTEREST

All directors of the company and its subsidiaries, and senior management, are reminded of the requirement to submit, at least annually, a list of all their directorships and interests in contracts with Oceana. They have access to the advice and services of the group company secretary and, in appropriate circumstances, may seek independent professional advice concerning the affairs of the company and group.

POLICY ON TRADING IN COMPANY SECURITIES

The company has a policy on trading in company securities. Directors and employees are prohibited from trading in company securities during closed periods.

CODE OF BUSINESS CONDUCT AND ETHICS

Directors and employees are required to observe the highest ethical standards in conducting the group's business. In this regard, the group has a formal code of business conduct and ethics, which was reviewed and confirmed during the year.

WHISTLEBLOWERS

An anonymous and secure whistleblowing facility has been in place for many years. Its purpose and anonymity are emphasised at employee induction and training sessions. An awareness campaign was undertaken in 2012 to remind employees that this facility is still available to them. The facility is also available in Namibia.

GROUP AND SUBSIDIARY GOVERNANCE FRAMEWORK

A disciplined reporting structure ensures the Oceana board is fully apprised of subsidiary activities, risks and opportunities. All controlled entities in the group are required to subscribe to the relevant principles of King III. Business and governance structures have clear approval frameworks. The process to address the principles of King III has been a top-down and bottom-up approach.

The board appreciates that strategy, risk, performance and sustainability are inseparable.

Briefings on changes in risk, laws and the environment are made to the board both directly and indirectly in operational reports to the board, this will include developments in and the changing impact of laws regulating competition, employment equity, fishing rights, planning and environmental management.

Annual strategic plans are compiled and formally approved at both group and business level and progress is reviewed regularly. The board approves the long-term and short-term strategies for the business of the company and monitors the implementation thereof by management. Comprehensive management reporting disciplines are in place. These include the preparation of annual budgets by all operating units, with the group budget being approved by the board of directors. Monthly results and the financial status of operating units are reported against budgets and compared to the prior year. Management updates profit forecasts quarterly, while working capital is monitored on an ongoing basis. The board is satisfied that an effective risk-based internal audit was carried out during the year and that the company's system of internal controls is effective. The board reviews and approves an authorities framework on an annual basis which provides a clear and transparent delegation of authority.

The directors are responsible for the preparation, integrity and objectivity of the annual financial statements and other information contained in the integrated report in a manner that fairly presents the state of affairs and results of operations of the group. The annual financial statements have been prepared in accordance with International Financial Reporting Standards. They include the report of the audit committee on page 4.

COMPLIANCE WITH LAWS AND REGULATIONS

King III prescribes mandatory compliance with all laws and regulations and commits the whole group, its staff and all directors to fair dealing and integrity in the conduct of business. The compliance executive is a member of the executive committee and attends all board meetings. A compliance report is provided at each of the quarterly board meetings. Compliance is monitored at senior management level.

Regulatory penalties and fines in the amount of R1 500 were paid in respect of late submission of documentation and late payment of amounts due. SAMSA imposed a fine on the skipper of the *Oceana Orion*, and certain of its crew, for failure to keep a proper watch and failure to avoid a collision. In all cases management have taken appropriate action to prevent reoccurrence.

All eligible employees undergo comprehensive training on Competition Law. A new programme of online training was rolled out to 320 nominated employees on anti-bribery and corruption. All employees received customised training on the compliance policy, which was approved by the board during the year, and the company's code of business conduct and ethics.

MEMORANDUM OF INCORPORATION

Shareholders approved a new memorandum of incorporation at the company's annual general meeting held on 14 February 2013.

THE BOARD PROVIDES STAKEHOLDERS WITH THE ASSURANCE THAT MATERIAL RISKS ARE PROPERLY IDENTIFIED, ASSESSED, MITIGATED AND MONITORED.

Our ability to deliver on Oceana's business strategy depends on us being able to take calculated risks in a manner that does not jeopardise the interests of our stakeholders. We have to anticipate and respond to changes in the business environment and take informed decisions under conditions of uncertainty with the aim of mitigating risk exposure and optimising the potential opportunities.

Oceana has established a culture of managing existing, emerging or unpredictable risks. Various embedded processes, resources and structures are in place to address our risk management needs. These include internal audits, insurance, information system security, compliance processes, quality management systems and a range of other line management interventions. We place a strong focus on compliance with relevant legislation to fulfil the expectations of employees, communities, shareholders and other stakeholders in terms of due care and corporate governance.

We have adopted an enterprise-wide approach to risk management, with every identified material risk included in a structured and systematic process of risk management. These are managed within a unitary framework that is aligned with the company's corporate governance responsibilities.

ROLE OF THE BOARD

The Oceana board is responsible for the governance of risk. The board charter outlines the directors' responsibilities for ensuring that an appropriate system and process of risk management is implemented and maintained. Each member of the Oceana board understands his/her accountability for risk management. Although the board may choose to nominate one director as the co-ordinator of risk management reporting requirements, it is clear that all directors are accountable for risk management in Oceana.

The board provides stakeholders with the assurance that material risks are properly identified, assessed, mitigated and monitored. The board maintains a formal risk policy and framework for Oceana. Recognising that stakeholders need to understand the board's standpoint on risk, this is formally reflected in the Oceana Group Risk Management Policy and Framework.

The board is responsible for overseeing the development and implementation of a risk management implementation plan aimed at the evaluation and improvement of risk management within Oceana. The board formally evaluates the effectiveness of Oceana's risk management process at year-end for disclosure purposes and to provide a basis for updating the risk management plan.

ROLE OF THE RISK COMMITTEE

While the board is responsible for the overall governance of risk, it has appointed and is assisted by the risk committee in discharging this responsibility. The committee operates in terms of a formal charter, which expresses its responsibility for the risk management process. Its duties and activities include considering the risk management policy and plan, reviewing the effectiveness of the risk management activities, identifying the key risks facing the group, and ensuring appropriate responses to address these key risks.

The committee has 11 members, as indicated on pages 89 and 91. Committee members include the CEO and the group's executive committee. It is chaired by an independent non-executive director. The committee meets at least twice per annum in terms of its charter. Each member of the risk committee attended the two meetings held during the year. The group's internal auditors also attend the meetings. Minutes of the proceedings of committee meetings are included in board meeting packs.

The risk committee is assisted in its duties by the risk forum, which is appointed by the CEO. The forum has its own terms of reference and comprises divisional managing directors, divisional risk managers, group strategic services director, group HR manager, the group financial director, and the group's chief risk officer as the chairman.

RISK MANAGEMENT PLAN

Risk forum/committee meeting agendas include a review of the group's top 10 risks for the holding company and the operating divisions, incident reports, and a status update on the implementation of the risk management plan.

A professionally developed risk matrix is used to determine risk appetite and risk tolerance using data and information assembled in an objective manner according to impact rating tables and likelihood criteria. The matrix determines and confirms the relative magnitude of inherent risk, as well as relevant controls to derive residual risks. These are ranked by division into top 10, and ultimately resulting in Oceana's overall top 10 risks (see page 22). These are recorded in divisional and functional risk registers, and are reviewed and interrogated quarterly by the risk forum, and biannually by the risk committee.

The group's top 10 risks are taken into consideration at the directors' annual strategic planning meeting and quarterly board meetings. Risk management issues are included in the incentive bonus criteria, where appropriate.

REPORTING MECHANISMS

The board's reporting responsibilities include reporting on the following:

- The results of the independent risk management effectiveness review conducted by the group's internal auditors.
- Progress against the risk management plan, including recommended amendments.
- The material risks facing Oceana, which include the strategic risks, the material risks per division and function, as well as potentially material emerging issues.
- Remedial actions taken and their effectiveness.
- Material incidents and associated losses, together with analyses of their causes.

The principal risks that have a material impact on Oceana's ability to create value have been identified as part of the enterprise-wide risk identification and management system. These are outlined in detail on pages 22 to 23. During the year under review, there were no specific risk incidents resulting in significant financial loss to the group or that negatively affected our stakeholders or the economic life of the communities in which we operate.

Regarding insured risks, we have comprehensive risk and control procedures in place that are an integral part of the insurance programme. The layered structure of the programme allows the group to obtain competitive rates, while still protecting it from major losses through appropriate local and offshore reinsurance and a degree of self-insurance.

The board has satisfied itself that the committee's performance in terms of its composition, mandate and effectiveness was satisfactory, and that the group's risk management processes are effective. The committee's charter was reviewed and updated in May 2013.

REMUNERATION

REMUNERATION AND NOMINATIONS COMMITTEE

The board has delegated responsibility for determining the group's remuneration philosophy and policy, as well as the remuneration of executive directors and senior management, to the remuneration and nominations committee (the committee). This committee operates in terms of a charter formally approved by the board. This charter is reviewed annually by the board. The committee recommends the remuneration of non-executive directors to the board. It also considers the composition and performance of the board, as well as succession planning for the organisation, particularly in respect of the CEO, executive committee and chairman of the board.

COMPOSITION

The committee comprises five non-executive directors, three of whom are independent. It is chaired by an independent director who reports to the board on the committee's deliberations and decisions. The CEO attends the committee meetings by invitation and assists with the issues under consideration, save those relating to his own remuneration. Four meetings were held during the year, with one apology received from Mr PB Matlare.

REMUNERATION PHILOSOPHY AND POLICY

In addition to attending to regular matters, the committee reviewed the pay mix strategy of guaranteed and variable pay. This led to the committee's recommendation for a new long-term incentive scheme that allows for a focus on long-term financial performance being linked to the individual performance of the senior management team. The remuneration policy supports the company's HR and business strategies with the objective of aligning its reward practices to create sustainable shareholder value.

Oceana's remuneration policy is formulated to attract, retain, motivate and reward high-calibre employees. The aim is to encourage high levels of team and individual performance that are sustainable and aligned with the strategic direction and specific value drivers of the business. It is envisaged that this policy will also apply for 2014 and subsequent years, subject to ongoing review as required. While the aim is to reward superior performance and the achievement of the organisation's strategic goals there are also consequences for non-delivery. Remuneration is not a standalone management process but is fully integrated into other human resource processes such as the performance management and talent management systems.

Total reward is reviewed annually to ensure that employees who contribute to the success of the group and who have the potential to enhance group performance are remunerated in line with the market and their performance. Remuneration is regularly benchmarked against appropriate surveys.

It is compulsory for all employees to be a member of one of the group's retirement funds. Contributions to the funds are used primarily for retirement funding, and the balance for risk benefits (such as death, disability and funeral cover). Investment choice options are provided to members of the Oceana Group Pension Fund and Oceana Group Executive Provident Fund. The retirement funding contributions to the Oceana Group Provident Fund are invested in a conservative balanced fund.

During the course of 2013 the group converted membership of its stand-alone funds (Oceana Group Pension Fund and Oceana Group Provident Fund) to an umbrella fund agreement. This has reduced administration costs for members with the benefits (investment choice, group life, disability and funeral cover) generally remaining the same as they were on the in-house funds. The in-house funds are in the process of being wound down. It is anticipated that this will be concluded during the 2014 financial year.

COMPOSITION OF EXECUTIVE REMUNERATION

The remuneration (guaranteed package) of executives is determined on a total cost to company basis and includes a cash amount and various benefits such as retirement funding, medical aid and a car allowance. Guaranteed packages are subject to annual review and are benchmarked to appropriate market surveys, taking into account, among other issues, the size and profitability of the company.

Individual performance and overall responsibility are also considered when setting guaranteed package levels. It is the committee's intention to target the guaranteed pay at above median levels as reflected by the relevant survey in order to attract and retain talent.

The group has in place both a short-term incentive scheme (incentive bonus), which requires achievement of individual performance criteria and predetermined financial targets, and a long-term incentive scheme in the form of a phantom share option scheme and a proposed new long-term incentive scheme. As part of the pay mix and benchmarking review, the short-term scheme had been completed in 2012, and the long-term scheme in 2013.

SHORT-TERM INCENTIVE

The scheme offers incentives to executive directors and senior management and is based on the achievement of predetermined short-term performance targets. These targets are reviewed annually by the committee, and are based on financial performance as well as achievement of agreed strategic and individual performance objectives. These are measured through the group's performance management system.

The incentive scheme for 2013 was designed with a sliding scale of weighting determined by financial performance, with the more senior executives having a higher weighting (80%) towards financial performance and the remaining 20% based on non-financial targets.

The financial performance indicator for the short-term incentive scheme is determined with reference to a scale from 5% to 15% increase in HEPS with a stretch target set at 25% increase in HEPS. At 15% increase in HEPS the maximum bonus at executive level is 75% of total cost to company; this increases to

112,5% at the stretch target of 25% increase in HEPS. Financial targets at group level are based on growth in HEPS and return on net assets, while at divisional level they are based on operating profit and return on net assets. Short-term incentives are paid in cash in November following the financial year-end.

The non-financial performance indicator is driven through the company performance management system. This includes key strategic performance objectives, such as sustainability and transformation objectives as well as key operational and personal performance objectives.

For 2014, the incentive scheme structure is the same as the 2013 scheme.

LONG-TERM INCENTIVES

During the year, the committee appointed Deloitte to review the current approach to long-term incentives and to recommend an alternative scheme to the current phantom share option scheme, that is suitable and which will align senior management reward, with business and shareholder objectives.

The committee has decided to ask shareholders to approve the implementation of a hybrid scheme that would contain the features described below. Additional detail can be found in the circular/notice of annual general meeting that accompanies this report and on the company's website.

The motivation for the proposed implementation of a hybrid scheme is to retain and reward those senior managers who are able to influence the performance of the company and align their interests with those of the company's shareholders. Three elements may be offered, on an annual basis, namely:

- Share appreciation rights
- Full value performance shares
- Full value restricted share

The implementation of a hybrid scheme will provide better focus on and align rewards with performance. The three elements achieve this through combining a growth element (appreciation right), rewarding company performance (performance share) and individual performance and retention of talent (restricted share).

Share appreciation right

The share appreciation right element is in essence similar to the existing Phantom Share Option Scheme. This element will similarly be cash-settled. Allocations will be based on (a reduced) multiple of package to accommodate the offer of the other two elements. The full allocation will be subject to performance criteria which stipulates the number of share appreciation rights vesting in relation to the achievement of the financial performance targets.

Sliding scale for the application of performance vesting conditions (based on a targeted increase of 3% p.a. real growth rate in HEPS over 3, 4 and 5 year periods)

Threshold levels to real HEPS growth	% of allocation to vest
>0% and <0,5%	5
>0,5% and <1,0%	10
>1,0% and <1,5%	16
>1,5% and <2,0%	27
>2,0% and <2,5%	44
>2,5% and <3,0%	75
>3,0%	100

The value/(gain) appreciation that will be delivered to an individual on exercise will be the growth of the underlying share price above its strike price.

Vesting will occur on the third, fourth and fifth anniversary of the date of allocation, to the extent that the performance condition has been met, but exercise may be delayed until the seventh anniversary.

The other two elements of the Long Term Incentive will be equity-settled by way of full value shares. Full value shares do not have a strike price; the full value will accrue to the individual on vesting.

Performance shares

Performance shares reward the future financial performance of the company and its share and targets may be set in absolute or comparative terms. Oceana intends to initially adopt a comparative performance metric in relation to an identified peer group. Initially it is proposed that vesting will be governed by Oceana's TSR (total shareholder return) performance in relation to the members of the JSE Industrial Index.

Performance shares will be awarded to those individuals who can influence long-term strategic performance. They will vest on the third anniversary of their award, the number vesting being tied to the extent to which the company has met the performance criteria over the three-year period.

- If Oceana's TSR over the three-year period places it in 45th position (approx. median), then the targeted number (one third of the maximum number) of performance shares awarded will vest.
- If Oceana's TSR over the three-year period places it in 15th position (approx. upper quartile) or better, then the maximum number (three times the targeted number) of performance shares awarded will vest.
- If Oceana's TSR over the three-year period places it in 75th position (approx. lower quartile) or worse, then all performance shares awarded will be forfeited.
- If Oceana's performance over the three-year period lies between any of the above points, then a prorated number of performance shares will vest.

No retesting will be allowed, if any shares do not vest at the end of the three-year period, they are forfeited.

Restricted shares

Share-based retention and an opportunity to co-invest is delivered through the granting of restricted shares.

The quantum of grant is calculated with reference to the short-term incentive, ensuring a strong link to individual performance on an annual basis. A standard matching ratio based on an "on target" bonus has been defined; however, this will be applied to the actual bonus earned.

The Executive Committee will also be able to electively co-invest a portion of their short-term incentive in Oceana shares, which upon vesting would be matched by the company with additional shares. This co-investment is made prior to year-end, and its value once determined is converted into restricted shares and matched by the company with additional restricted shares.

All restricted shares will vest at the end of the three-year period. Although the primary link to performance of this element is driven through the short-term incentive (and the performance criteria therein), their grant may still be subject to claw-back should any unacceptable performance be subsequently identified.

The three elements in combination

It is anticipated that should this long-term incentive scheme be approved by shareholders at the annual general meeting, the allocations, awards and grants of the three elements will be effective from that date, with the exception of the co-investment plan which will be applicable in the following year (based on the 2014 short-term incentive).

Phantom Share Option Scheme

In light of the proposed new scheme detailed above, no new grants under the Phantom Share Option Scheme will be made. The intention is that the options previously granted under this scheme will continue to vest (in line with time and performance conditions) until all options have vested and the scheme is wound down.

The options in the Phantom Share Option Scheme are "cash-settled". Options may be exercised in tranches of one-third after three, four and five years from the date of grant and must be exercised within six years from date of grant. The cash settlement amount of an option is the difference between the volume weighted average price of an Oceana Group share on the JSE for the 30 trading days immediately prior to the exercise date and the grant price.

All options from Grants 1A, 1B and 2 have either been exercised, or forfeited. Performance conditions have been attached to the options granted from Grant 3 onwards. The performance condition (hurdle rate) attached to 50% of these grants is that the company's HEPS should increase by 3% per annum above inflation over the three-year performance period. The committee will allow retesting of the performance condition on the first and second anniversary of the end of the performance period. The target has been set with regard to the cumulative HEPS over the performance period. Grants 3, 4, 5 and 6 have met their performance condition and are now subject to time-based vesting. Grants 7, 8 and 8b have not yet reached the performance period conclusion.

EXECUTIVE DIRECTORS' SERVICE CONTRACTS

Executive directors do not have fixed-term contracts. They have employment agreements with the company, which are subject to a three-month notice period by either party. The company may elect to pay the executive directors a cash sum in lieu of notice of termination. Executive directors retire from their positions at the age of 63.

In the event of an executive director's services being terminated for operational reasons, creating an obligation on the company to pay a severance package, there is no contractually agreed severance package and the relevant provisions of the Labour Relations Act, 66 of 1995, and Basic Conditions of Employment Act, 75 of 1997, apply. The normal contractual notice period in respect of termination of the employment contract applies and it is not included in severance compensation calculations.

SUCCESSION PLANNING

A succession plan for executives, senior management and critical skill positions is reviewed annually as part of the group's talent management process. Included in this process is the succession discussion for the chairman of the board. This is reviewed and agreed by the committee. The purpose of the plan is to ensure that succession is in place, and also to develop potentially suitable candidates for future placement. There is continuing focus on retention of key and critical skills in the business.

REMUNERATION DISCLOSURE

Remuneration of executive directors is set out in the full annual financial statements. The gain on exercise of share options is made in the period during which the directors dispose of shares. The gain is therefore not related to the performance of the company in the 2013 financial year.

NON-EXECUTIVE DIRECTORS' REMUNERATION

Non-executive directors' fees are paid in respect of membership of the Oceana Group board, and those serving on board committees are also remunerated for work done in that capacity. Remuneration is paid on an annual retainer basis to account for the responsibilities borne by the directors throughout the year. An attendance fee for formal meetings is not considered necessary, as the attendance record at meetings is considered satisfactory. An hourly rate for extraordinary work is in place (none paid in 2013) and ad hoc expenses are reimbursed as required. These fees are reviewed annually and proposed adjustments are tabled by the CEO for review by the committee. The board then considers the fees and makes a recommendation to shareholders for approval at the annual general meeting.

The non-executive directors' fees are detailed in the full AFS. Non-executive directors do not qualify for share options nor do they participate in the incentive bonus scheme.

SOCIAL, ETHICS AND TRANSFORMATION

REPORT TO SHAREHOLDERS

The board established the social, ethics and transformation committee (the committee) in November 2011 to address issues relating to social and economic development; good corporate citizenship; the environment, health and safety; and labour and employment. The committee's charter requires two meetings per year, which were duly held and fully attended by all members.

COMPOSITION OF THE COMMITTEE

The committee is chaired by NV Simamane, who is an independent non-executive director. Committee members are as follows:

NV Simamane (Chairman)	Independent non-executive director
ABA Conrad	Executive director (Group strategic services)
FP Kuttel	Chief executive officer
TJ Tapela	Non-executive director

The group company secretary is appointed as the secretary of the committee.

THE COMMITTEE CHARTER AND WORK PLAN

The board approved the committee charter and workplan during the year, which details the role, responsibilities and mandate of the committee.

COMMITTEE SELF-ASSESSMENT

The committee completed a self-assessment on its effectiveness since its establishment and reported the results to the board. The board, having reviewed the self-assessment results in November 2013, found it to be satisfactory. The committee chairman updates the board biannually on the work done by the committee and on its objectives and work plan going forward.

THE COMMITTEE'S ROLE AND RESPONSIBILITIES

Role

The committee has an independent role and is accountable to the shareholders and board. The committee does not assume the functions of management, which remain the responsibility of the executive directors, officers and other members of senior management.

The overall role of the committee is to assist the board with the oversight of social, ethical and transformation matters relating to the company.

Responsibilities

The committee performs all the functions as is necessary to fulfil its role as stated afore, including the following statutory duties:

a) monitoring the company's activities, having regard to any relevant legislation, other legal requirements or prevailing codes of best practice, with regard to matters relating to:

- social and economic development, including the company's standing in terms of the goals and purposes of:
  - the 10 principles set out in the United Nations Global Compact Principles;
  - the Organisation for Economic Co-operation Development recommendations regarding corruption;
  - the Employment Equity Act; and
  - the Broad-Based Black Economic Empowerment Act;
- good corporate citizenship, including the company's:
  - promotion of equality, prevention of unfair discrimination, and reduction of corruption;
  - contribution to development of the communities in which its activities are predominantly conducted or within which its products or services are predominantly marketed; and
  - records of sponsorship, donations and charitable giving;

- the environment, health and public safety, including the impact of the company's activities and of its products or services;
- consumer relationships, including the company's advertising, public relations and compliance with consumer protection laws; and
- labour and employment, including:
  – the company's standing in terms of the International Labour Organisation Protocol on decent work and working conditions; and
  – the company's employment relationships, and its contribution toward the educational development of its employees;

b) drawing matters within its mandate to the attention of the board as occasion requires; and

c) reporting, through one of its members, to the shareholders at the company's annual general meeting on the matters within its mandate.

In addition the committee performs the following duties, delegated by the board:

- The group's integrated report contains a large amount of information reviewed and considered during the course of the committee's activities. The committee reviews the content in the integrated report that is relevant to the committee.

The committee in fulfilling its statutory duties, and performing its functions as delegated by the board, considers and evaluates the sustainability of the group as well as the company's:

- ethical culture and values;
- approach to compliance;
- communication with its shareholders and stakeholders;
- B-BBEE rating and commitment to transformation;
- safety record and environmental policy;
- labour relations; and
- corporate citizenship.

The company's sustainability report can be found on the company's website at www.oceana.co.za.

During the year under review the committee reviewed the following policies and code of conduct, which were approved:

- environmental policy;
- anti-corruption and bribery policy;
- human rights policy; and
- the supplier code of conduct.

REPORT TO SHAREHOLDERS

The committee has reviewed and is satisfied with the content in the integrated report that is relevant to the activities and responsibilities of the committee.

The agenda for the company's annual general meeting to be held on 13 February 2014 includes a report by the committee chairman to shareholders.

5 CONDENSED GROUP FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 September 2013

	Notes	Audited Year ended 30 Sept 2013 R'000	Audited Year ended 30 Sept 2012 R'000	Change %
Revenue		**4 997 354**	4 647 951	8
Cost of sales		**3 049 222**	2 875 765	6
Gross profit		**1 948 132**	1 772 186	10
Sales and distribution expenditure		**491 756**	428 870	15
Marketing expenditure		**63 503**	51 323	24
Overhead expenditure		**687 810**	599 363	15
Net foreign exchange gain		**(43 616)**	(18 395)	
Operating profit before abnormal items		**748 679**	711 025	5
Abnormal items	3	**–**	(47 955)	
Operating profit		**748 679**	663 070	13
Investment income		**16 330**	36 279	(55)
Interest paid		**(10 282)**	(3 108)	
Profit before taxation		**754 727**	696 241	8
Taxation		**230 337**	232 315	(1)
Profit after taxation		**524 390**	463 926	13
Other comprehensive income				
Items that may be re-classified subsequently to profit or loss				
Movement on foreign currency translation reserve		**6 228**	1 826	
Movement on cash flow hedging reserve		**8 788**	(1 522)	
Other comprehensive income, net of taxation		**15 016**	304	
Total comprehensive income for the year		**539 406**	464 230	16
Profit after taxation attributable to:				
Shareholders of Oceana Group Limited		**491 016**	443 790	11
Non-controlling interests		**33 374**	20 136	66
		524 390	463 926	13
Total comprehensive income attributable to:				
Shareholders of Oceana Group Limited		**506 032**	444 094	14
Non-controlling interests		**33 374**	20 136	66
		539 406	464 230	16
Weighted average number of shares on which earnings per share is based ('000)	7	**100 302**	100 100	
Adjusted weighted average number of shares on which diluted earnings per share is based ('000)		**110 402**	108 659	
Earnings per share (cents)				
– Basic		**489,5**	443,3	10
– Diluted		**444,8**	408,4	9
Dividends per share (cents)		**322,0**	301,0	7
Headline earnings per share (cents)		**487,9**	455,7	7
– Basic		**443,2**	419,8	6
– Diluted				

STATEMENT OF FINANCIAL POSITION
at 30 September 2013

	Audited 30 Sept 2013 R'000	Audited 30 Sept 2012 R'000
ASSETS		
Non-current assets	**725 407**	690 615
Property, plant and equipment	**473 821**	435 850
Goodwill	**10 000**	10 000
Trademark	**8 873**	6 229
Fishing rights	**83 929**	72 409
Deferred taxation	**30 360**	23 187
Investments and loans	**118 424**	142 940
Current assets	**2 169 999**	1 878 113
Inventories	**1 277 781**	777 979
Accounts receivable	**765 783**	823 956
Non-current assets held for sale	**2 618**	
Cash and cash equivalents	**123 817**	276 178
Total assets	**2 895 406**	2 568 728
EQUITY AND LIABILITIES		
Capital and reserves	**1 789 375**	1 633 242
Share capital and premium	**33 770**	30 692
Foreign currency translation reserve	**5 507**	(721)
Capital redemption reserve	**130**	130
Cash flow hedging reserve	**9 188**	400
Share-based payment reserve	**59 337**	57 144
Distributable reserves	**1 620 682**	1 496 895
Interest of own shareholders	**1 728 614**	1 584 540
Non-controlling interests	**60 761**	48 702
Non-current liabilities	**183 688**	139 270
Liability for share-based payments	**143 891**	97 427
Deferred taxation	**39 797**	41 843
Current liabilities	**922 343**	796 216
Accounts payable and provisions	**628 550**	751 642
Bank overdrafts	**293 793**	44 574
Total equity and liabilities	**2 895 406**	2 568 728
Number of shares in issue net of treasury shares ('000)	**100 416**	100 219
Net asset value per ordinary share (cents)	**1 721**	1 581
Total liabilities excluding deferred taxation: Total equity (%)	**60**	55
Total borrowings: Total equity (%)	**16**	3

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 September 2013

	Audited Year ended 30 Sept 2013 R'000	Audited Year ended 30 Sept 2012 R'000
Balance at the beginning of the year	**1 633 242**	1 399 351
Total comprehensive income for the year	**539 406**	464 230
Profit after taxation	**524 390**	463 926
Movement on foreign currency translation reserve	**6 228**	1 826
Movement on cash flow hedging reserve	**8 788**	(1 522)
Shares issued	**1 365**	3 524
Movement in treasury shares held by share trusts	**1 713**	875
Recognition of share-based payments	**2 211**	7 614
Loss on sale of treasury shares	**(470)**	(130)
Acquisition of additional shares in subsidiary	**(7 158)**	
Dividends paid	**(380 934)**	(242 222)
Balance at the end of the year	**1 789 375**	1 633 242
Comprising:		
Share capital and premium	**33 770**	30 692
Foreign currency translation reserve	**5 507**	(721)
Capital redemption reserve	**130**	130
Cash flow hedging reserve	**9 188**	400
Share-based payment reserve	**59 337**	57 144
Distributable reserves	**1 620 682**	1 496 895
Non-controlling interests	**60 761**	48 702
Balance at the end of the year	**1 789 375**	1 633 242

STATEMENT OF CASH FLOWS

for the year ended 30 September 2013

	Notes	Audited Year ended 30 Sept 2013 R'000	Audited Year ended 30 Sept 2012 R'000
Cash flows from operating activities			
Operating profit before abnormal items		**748 679**	711 025
Adjustment for non-cash and other items		**149 943**	102 832
Cash operating profit before working capital changes		**898 622**	813 857
Working capital changes		**(473 865)**	(357 295)
Cash generated from operations		**424 757**	456 562
Investment income received		**7 317**	25 312
Interest paid		**(10 282)**	(3 108)
Taxation paid		**(320 209)**	(242 588)
Dividends paid		**(380 934)**	(242 222)
Cash outflow from operating activities		**(279 351)**	(6 044)
Cash outflow from investing activities		**(135 719)**	(153 331)
Capital expenditure		**(132 908)**	(69 746)
Proceeds on disposal of property, plant and equipment		**6 218**	1 536
Acquisition of businesses	8	**(10 450)**	(105 296)
Acquisition of additional shares in subsidiary		**(7 158)**	
Acquisition of fishing rights		**(26 695)**	(1 296)
Repayment received on preference shares		**39 377**	11 949
Net movement on loans and advances		**(5 848)**	9 718
Loss of control over subsidiary	9	**3 490**	
Acquisition of joint venture	9	**(1 745)**	
Acquisition of investment			(196)
Cash inflow from financing activities		**11 797**	7 987
Proceeds from issue of share capital		**2 608**	4 270
Short-term borrowings raised		**9 189**	3 717
Net decrease in cash and cash equivalents		**(403 273)**	(151 388)
Cash and cash equivalents at the beginning of the year		**231 604**	384 544
Effect of exchange rate changes		**1 693**	(1 552)
Cash and cash equivalents at the end of the year		**(169 976)**	231 604

NOTES TO THE CONDENSED FINANCIAL STATEMENTS
for the year ended 30 September 2013

1. BASIS OF PREPARATION

The condensed financial information has been prepared and presented in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and the requirements of the South African Companies Act, 71 of 2008, as amended (Companies Act). The report has been prepared using accounting policies that comply with IFRS which are consistent with those applied in the financial statements for the year ended 30 September 2012, with the exception of the adoption of IAS 1: Presentation of Financial Statements: Presentation of other Comprehensive Income, and Circular 2/2013: Headline Earnings. The condensed financial information was prepared under the supervision of the group financial director, I Soomra CA(SA), and has been audited in compliance with the Companies Act.

The auditors, Deloitte & Touche, have issued their unmodified audit opinion on the consolidated financial statements for the year ended 30 September 2013. The audit was conducted in accordance with International Standards on Auditing.

These condensed financial statements have been derived from the consolidated financial statements, with which they are consistent in all material respects. A copy of the audit report is available for inspection at the company's registered office. The audit report does not necessarily cover all the information contained in this report. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's work they should obtain a copy of that report together with the accompanying financial information from the company's website or from the registered office of the company.

Any reference to future financial performance included in this announcement has not been reviewed or reported on by the company's auditors.

2. SEGMENTAL RESULTS

An operating segment report is included on page 36.

	Audited Year ended 30 Sept 2013 R'000	Audited Year ended 30 Sept 2012 R'000
3. ABNORMAL ITEMS		
Competition Commission administrative penalty		(34 750)
Trademark impairment		(13 205)
Abnormal expenses before and after taxation		(47 955)
4. DETERMINATION OF HEADLINE EARNINGS		
Profit after taxation attributable to shareholders of Oceana Group Limited	491 016	443 790
Adjusted for:		
Trademark impairment	–	13 205
Net surplus on disposal of property, plant and equipment and fishing right	(2 351)	(1 193)
Total tax effect of adjustments	660	356
Headline earnings for the year	489 325	456 158
5. DIVIDENDS		
Estimated dividend declared after reporting date	222 951	256 560
Dividend on shares issued prior to last day to trade		83
Actual dividend declared after reporting date		256 643

	Audited Year ended 30 Sept 2013 R'000	Audited Year ended 30 Sept 2012 R'000
6. SUPPLEMENTARY INFORMATION		
Amortisation	**15 175**	853
Depreciation	**88 444**	86 339
Operating lease charges	**53 752**	39 615
Share-based expenses	**154 587**	83 197
Cash-settled compensation scheme	**152 376**	75 583
Oceana Empowerment Trust	**2 211**	7 614
Capital expenditure	**132 908**	69 746
Expansion	**23 182**	2 085
Replacement	**109 726**	67 661
Budgeted capital commitments	**218 529**	181 159
Contracted	**44 005**	21 879
Not contracted	**174 524**	159 280

	Number of shares '000	Number of shares '000
7. ELIMINATION OF TREASURY SHARES		
Weighted average number of shares in issue	**119 451**	119 332
Less: Treasury shares held by share trusts	**(14 055)**	(14 138)
Less: Treasury shares held by subsidiary company	**(5 094)**	(5 094)
Weighted average number of shares on which earnings per share and headline earnings per share are based	**100 302**	100 100

	Audited Year ended 30 Sept 2013 R'000	Audited Year ended 30 Sept 2012 R'000
8. ACQUISITION OF BUSINESSES		
Property, plant and equipment		(37 400)
Goodwill		(10 000)
Fishing rights		(68 860)
Accounts payable and provisions		514
Contingent purchase consideration	**(10 450)**	10 450
Cash movement on acquisition of businesses	**(10 450)**	(105 296)

9. REDUCTION OF INTEREST IN SUBSIDIARY

With effect from 31 January 2013, the group's interest in Oceana International Limited reduced from 100% to 50% through the issue of new shares to an outside party. Oceana International has been proportionately consolidated since the change in shareholding.

10. FOODCORP ACQUISITION

Further to the announcement released on the Stock Exchange News Service of the JSE on 4 June 2013 in respect of Oceana's acquisition of the fishing interests of Foodcorp Proprietary Limited ("Foodcorp"), the Competition Commission has approved the acquisition, subject to certain conditions. One of these conditions is not acceptable to both Oceana and Foodcorp. Accordingly, the parties will file a request for consideration with the Competition Tribunal challenging the condition in question. In the interim, Oceana and Foodcorp have agreed to extend the sale of business agreement for a further three months to 31 January 2014.

11. EVENTS AFTER THE REPORTING DATE

No events occurred subsequent to the reporting date that may have an impact on the group's and company's reported financial position at 30 September 2013, or that require separate disclosure.

SHAREHOLDER ANALYSIS
at 30 September 2013

SHAREHOLDER SPREAD	Number of shareholders	%	Number of shares	%
1 – 1 000 shares	1 308	61,3	584 237	0,5
1 001 – 10 000 shares	614	28,8	2 147 030	1,8
10 001 – 100 000 shares	154	7,2	4 941 058	4,1
100 001 – 1 000 000 shares	47	2,2	12 484 744	10,5
1 000 001 shares and over	10	0,5	99 357 088	83,1
	2 133	100,0	119 514 157	100,0

DISTRIBUTION OF SHAREHOLDERS				
Banks	42	2,0	4 525 063	3,8
Brokers	21	1,0	621 407	0,5
Close corporations	30	1,4	77 109	0,0
Empowerment	1	0,0	20 096 755	16,8
Individuals	1 637	76,8	3 244 969	2,7
Insurance companies	8	0,4	728 196	0,6
Investment companies	11	0,5	205 312	0,2
Mutual funds	81	3,8	9 557 121	8,0
Nominees and trusts	175	8,2	693 155	0,6
Other corporate bodies	18	0,8	190 097	0,2
Pension funds	49	2,3	9 801 842	8,2
Private companies	53	2,5	559 427	0,5
Public companies	4	0,2	50 115 887	41,9
Treasury shares held by share trusts	2	0,1	14 003 467	11,7
Treasury shares held by subsidiary	1	0,0	5 094 350	4,3
	2 133	100,0	119 514 157	100,0

SHAREHOLDER TYPE				
Non-public shareholders	77	3,5	89 681 949	75,0
Directors and employees	72	3,4	388 500	0,3
Treasury shares held by share trusts	2	0,1	14 003 467	11,7
Treasury shares held by subsidiary	1	0,0	5 094 350	4,3
Empowerment	1	0,0	20 096 755	16,8
Other holdings greater than 10%	1	0,0	50 098 877	41,9
Public shareholders	2 056	96,5	29 832 208	25,0
	2 133	100,0	119 514 157	100,0

SHAREHOLDERS HOLDING IN EXCESS OF 5%		
Tiger Brands Limited	50 098 877	41,9
Brimstone Investment Corporation Limited	20 096 755	16,8
Oceana Empowerment Trust	13 986 967	11,7
Government Employees Pension Fund	6 711 327	5,6

NOTICE OF ANNUAL GENERAL MEETING

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

Notice is hereby given that the 96th annual general meeting ("Annual General Meeting") of the shareholders of the Company ("Shareholders") for the year ended 30 September 2013 will be held at 7th Floor, Oceana House, 25 Jan Smuts Street, Foreshore, Cape Town, 8001, on Thursday, 13 February 2014, at 14:00 to consider the matters and proposed resolutions (with or without modification), set out below. Registration will start at 13:15. This notice of annual general meeting is available in English at the registered office of the Company at the 9th Floor, Oceana House, 25 Jan Smuts Street, Foreshore, Cape Town.

ELECTRONIC PARTICIPATION IN THE ANNUAL GENERAL MEETING

The Company intends to make provision for Shareholders or their proxies, to participate in the Annual General Meeting by way of electronic communication. In this regard, the Company intends making telephonic facilities available at the office of Commercial Cold Storage Proprietary Limited, 10 Merino Avenue, City Deep, Extension 1, Johannesburg, which will be linked by telephonic access to the venue of the Annual General Meeting in Cape Town at the above address.

Should you wish to participate in the Annual General Meeting by way of electronic communication as aforesaid, you, or your proxy, will be required to attend at the abovementioned location arranged by the Company in Johannesburg at the time and on the date of the Annual General Meeting. The Johannesburg location will be linked to the venue in Cape Town by telephonic access on the date of, and from the time of commencement of, the Annual General Meeting. Telephonic access will enable all persons who are present at either of these venues to participate electronically in the Annual General Meeting in this manner and to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the Annual General Meeting.

The cost of the telephone facilities described will be for the account of the Company.

IDENTIFICATION

Section 63(1) of the Companies Act, 71 of 2008 (the "Companies Act") requires that a person wishing to participate in the Annual General Meeting (including any representative or proxy) must provide satisfactory identification (such as identity documents, driver's licences or passports) before they may attend or participate in the Annual General Meeting.

MEMORANDUM OF INCORPORATION

Any reference in this notice of annual general meeting to the term "MOI" refers to the Company's existing memorandum of incorporation approved at the annual general meeting held on 14 February 2013.

The board of directors of the Company ("the Board" or "Directors") has determined that the record date for the purpose of determining which Shareholders are entitled to receive notice of the Annual General Meeting was Friday, 6 December 2013, and the record date for purposes of determining which Shareholders are entitled to participate in and vote at the Annual General Meeting is Friday, 7 February 2014. Accordingly, only Shareholders who are registered in the register of members of the Company on Friday, 7 February 2014, will be entitled to participate in and vote at the Annual General Meeting.

Each of the ordinary and special resolutions set out below may be proposed and passed, with or without modification or amendment, at the Annual General Meeting or at any postponement or adjournment of the Annual General Meeting.

The purpose of the Annual General Meeting is for the following business to be transacted and to consider and, if deemed fit, to pass those resolutions set out below:

1. To present the audited consolidated annual financial statements of the Company and its subsidiaries ("the Group") (referred to below as the "AFS"), the directors' report, the audit committee report and the social, ethics and transformation committee report of the Company and the Group for the year ended 30 September 2013.

   The AFS, directors' report and the audit committee report form part of the Oceana Group Limited Annual Financial Statements 2013 which can be viewed on the Company's website at www.oceana.co.za. A Shareholder who wishes to receive a printed copy of the AFS should contact the Company's transfer secretaries. A copy of the complete AFS will be presented at the Annual General Meeting.

   In terms of section 61(8)(a) and regulation 43(5)(c) of the Companies Act, the Company must present the audit committee report, the directors' report and the social, ethics and transformation committee report at the Annual General Meeting. The directors' report and the audit committee report are set out on pages 3 to 5 of the AFS. (http://oceana-integratedreport.co.za/group-financial-statements). The social, ethics and transformation committee report is set out on pages 106 to 107 of the integrated report of which this notice forms part.

2. In terms of article 20.3 of the Company's MOI the following directors of the Company, namely PG de Beyer, FP Kuttel, PB Matlare and TJ Tapela retire by rotation and, being eligible, offer themselves for re-election. In terms of article 20.12 of the Company's MOI, the following directors, namely NP Doyle and I Soomra having filled vacancies on the Board since the date of the last annual general meeting of the Company and, being eligible, offer themselves for election.

Ordinary resolutions numbers 1.1 to 1.6: Election of directors

Accordingly, Shareholders are requested to consider and, if deemed fit, to elect the Directors named above by way of passing the separate ordinary resolutions set out below:

2.1 Ordinary resolution number 1.1: Election of Peter Gerard de Beyer as director

"Resolved that PG de Beyer who retires by rotation in terms of article 20.3 of the Company's MOI, and, being eligible, be and is hereby elected as a director of the Company."

2.2 Ordinary resolution number 1.2: Election of Francois Paul Kuttel as director

"Resolved that FP Kuttel who retires by rotation in terms of article 20.3 of the Company's MOI, and, being eligible, be and is hereby elected as a director of the Company."

2.3 Ordinary resolution number 1.3: Election of Peter Bambatha Matlare as director

"Resolved that PB Matlare who retires by rotation in terms of article 20.3 of the Company's MOI, and, being eligible, be and is hereby elected as a director of the Company."

2.4 Ordinary resolution number 1.4: Election of Takula Jenkins Tapela as director

"Resolved that TJ Tapela who retires by rotation in terms of article 20.3 of the Company's MOI, and, being eligible, be and is hereby elected as a director of the Company."

2.5 Ordinary resolution number 1.5: Election of Noel Patrick Doyle as director

"Resolved that NP Doyle, who having filled a vacancy on the Board since the date of the last annual general meeting of the Company and, being eligible, in terms of article 20.12 of the Company's MOI be and is hereby elected as a director of the Company."

2.6 Ordinary resolution number 1.6: Election of Imraan Soomra as director

"Resolved that I Soomra, who having filled a vacancy on the Board since the date of the last annual general meeting of the Company and, being eligible, in terms of article 20.12 of the Company's MOI be and is hereby elected as a director of the Company."

Reason for and effect of ordinary resolutions numbers 1.1 to 1.6

Each director who retires by rotation is eligible for re-election at the Annual General Meeting in terms of section 61(8)(b) of the Companies Act, read with article 20.3 of the Company's MOI. Each director who having filled a vacancy on the Board since the date of the last annual general meeting of the Company is eligible for election at the Annual General Meeting in terms of section 68(3) and article 20.12 of the Company's MOI. The election will be conducted by a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, as required under section 68(2) of the Companies Act. Brief curricula vitae of the candidates for election as Directors are presented on page 89 of the integrated report. The effect of passing the above ordinary resolutions will be to elect the persons concerned to the Board with effect from the date of the Annual General Meeting.

3. To reappoint Deloitte & Touche as the independent auditor of the Company for the ensuing financial year.

Ordinary resolution number 2: To reappoint Deloitte & Touche as auditor

"Resolved that Deloitte & Touche is hereby reappointed as the auditor of the Company for the ensuing financial year until the date of the next annual general meeting."

Reason for and effect of ordinary resolution number 2

In compliance with section 90(1) of the Companies Act, a public company must each year, at its annual general meeting, appoint an auditor. The audit committee has recommended the reappointment of Deloitte & Touche as auditor of the Company. Section 94(9) of the Companies Act entitles a company to appoint an auditor at its annual general meeting, other than one nominated by the audit committee, but if such an auditor is appointed, the appointment is valid only if the audit committee is satisfied that the proposed auditor is independent of the Company.

The effect of passing of this resolution will be to appoint Deloitte & Touche as the Company's auditor until the date of the next annual general meeting.

4. To elect an audit committee to conduct the duties and responsibilities as outlined in section 94(7) of the Companies Act.

Ordinary resolutions numbers 3.1 to 3.3: Election of audit committee

4.1 Ordinary resolution number 3.1: Election of Zarina Bibi Mahomed Bassa as a member of the audit committee

"Resolved that ZBM Bassa be and is hereby elected as a member of the audit committee of the Company."

4.2 Ordinary resolution number 3.2: Election of Peter Gerard de Beyer as a member of the audit committee

"Resolved that PG de Beyer be and is hereby elected as a member of the audit committee of the Company, subject to him being elected as a director of the Company."

4.3 Ordinary resolution number 3.3: Election of Saamsoodein Pather as a member of the audit committee

"Resolved that S Pather be and is hereby elected as a member of the audit committee of the Company."

Reason for and effect of ordinary resolutions numbers 3.1 to 3.3

Section 94(2) of the Companies Act requires a public company, at each annual general meeting, to elect an audit committee comprising at least three members unless (i) the company is a subsidiary of another company that has an audit committee and (ii) the audit committee of that other company will perform the functions required under section 94 on behalf of the subsidiary company.

Section 94(4)(a) of the Companies Act requires, among other things, that each member of the audit committee must be a director of the Company. Brief curricula vitae of the candidates for election to the audit committee are presented on page 89 of the integrated report.

The effect of passing these resolutions will be to elect the above persons as members of the Company's audit committee.

5. Non-binding advisory vote on the remuneration policy of the Company:

Non-binding advisory vote: Approval of remuneration policy

"Resolved as a non-binding advisory vote that the remuneration policy of the Company, as set out on page 102 of the integrated report accompanying this notice of annual general meeting, be and is hereby endorsed through a non-binding advisory vote as recommended in terms of the King Code of Governance Principles for South Africa 2009."

Reason for and effect of non-binding advisory vote

In terms of principle 2.27 of the King Code on Governance for South Africa 2009, the Company's remuneration policy should be tabled to the Shareholders for a non-binding advisory vote at the Annual General Meeting. Accordingly, the Shareholders are requested to endorse the Company's remuneration policy by way of a non-binding advisory vote in the same manner as an ordinary resolution.

6. Financial assistance to related or inter-related companies and others

Special resolution number 1: Financial assistance to Group companies

"In terms of and subject to the provisions of section 45 of the Companies Act, the Shareholders hereby approve, as a general approval (subject to the requirements of the Company's MOI, the Companies Act and the JSE Listings Requirements from time to time), and subject to compliance with section 45 of the Companies Act, at any time and from time to time, during the period of 2 (two) years commencing on the date of this special resolution, the provision by the Company of any direct or indirect financial assistance contemplated in the Companies Act to any 1 (one) or more related or inter-related companies or corporations of the Company, on such terms and conditions as the Board, or any one or more persons authorised by the Board from time to time for such purpose, deems fit, in the form, nature and extent and for the amounts, that the Board, or any 1 (one) or more persons authorised by the Board from time to time for such purpose, may determine from time to time. To the extent to which the Companies Act may require any other approval by the Shareholders pursuant to the provision of financial assistance, such approval is hereby granted."

Reason for and effect of special resolution number 1

The reason for special resolution number 1 is to obtain approval from the Shareholders so as to enable the Company to provide financial assistance, when the need arises, in accordance with the provisions of section 45 of the Companies Act. The effect of special resolution number 1 is that the Company will have the necessary authority to provide such financial assistance to any 1 (one) or more related or inter-related companies or corporations of the Company as contemplated in special resolution number 1 as and when required to do so. The Board undertakes that, insofar as the Companies Act requires, it will not adopt a resolution to authorise such financial assistance, unless the Directors are satisfied that (i) immediately after providing such financial assistance, the Company will satisfy the solvency and liquidity test as referred to in section 45(3)(b)(i) of the Companies Act, and that (ii) the terms under which such financial assistance is to be given are fair and reasonable to the Company as referred to in section 45(3)(b)(ii) of the Companies Act.

7. Non-executive directors' remuneration

Special resolution number 2: Remuneration of non-executive Directors

"Resolved that the annual remuneration of the non-executive Directors of the Company in their capacity as Directors for the period 1 October 2013 to 30 September 2014 as reflected below, be and is hereby approved.

	R
As chairman of the Board	519 500
As lead independent Director	245 500
As a member of the Board	182 500
As chairman of the audit committee	143 750
As a member of the audit committee	71 750
As chairman of the remuneration and nominations committee	98 250
As a member of the remuneration and nominations committee	59 250
As chairman of the risk committee	98 250
As a member of the risk committee	59 250
As chairman of the social, ethics and transformation committee	98 250
As a member of the social, ethics and transformation committee	59 250

and in addition that non-executive Directors be paid an amount of R2 000 (two thousand rand) per hour, in respect of work performed by them as required by extraordinary circumstances, provided that payment in respect of any such additional work is approved by the Company's remuneration and nominations committee and the chief executive officer."

Reason for and effect of special resolution number 2

The reason for and effect of special resolution number 2 is to approve the annual remuneration of the non-executive Directors of the Company to be paid for their services in their capacity as Directors only and their rate of remuneration for ad hoc services in extraordinary circumstances, in accordance with section 66(9) of the Companies Act, for the year ending 30 September 2014.

8. General authority to repurchase shares

Special resolution number 3: General authority to repurchase shares

"Resolved that the Company hereby approves, as a general approval for purposes of section 48 of the Companies Act, the acquisition by the Company or any of its subsidiaries from time to time, of the issued shares of the Company, upon such terms and conditions and in such amounts as the Directors may from time to time determine, but subject to the Company's MOI, the provisions of the Companies Act and the JSE Listings Requirements as presently constituted and which may be amended from time to time, and provided that the Company and its subsidiaries shall only be authorised to make a general repurchase of shares on such terms and conditions as the Board may deem fit, provided that the following JSE Listings Requirements (as they may be amended from time to time) are met:

8.1 any such acquisition of shares shall be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty;

8.2 any such repurchase of ordinary shares is authorised by the Company's MOI;

8.3 at any point in time, the Company may only appoint one agent to effect any repurchase(s) on its behalf;

8.4 this general authority shall only be valid until the Company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution;

8.5 a paid press announcement containing full details of the acquisitions will be published not later than 08:30 on the business day following the date on which the Company and/or its subsidiaries have acquired shares constituting, on a cumulative basis, 3% (three per cent) of the number of shares of that class in issue at the time of granting of this general authority, and for each 3% (three per cent) in aggregate of the initial number of that class acquired thereafter;

8.6 acquisitions by the Company and its subsidiaries of shares in the share capital of the Company may not, in the aggregate, exceed in any one financial year 20% (twenty per cent) of the Company's issued share capital or 10% (ten per cent) where such acquisitions relate to acquisition/s by a subsidiary/ies and result in more than 10% of the Company's shares in aggregate being held by or for the benefit of the Company's subsidiaries) of the Company's issued share capital;

8.7 in determining the price at which the Company's shares are acquired by the Company or its subsidiaries in terms of this general authority, the maximum price at which such shares may be acquired may not be greater than 10% (ten per cent) above the weighted average of the market price at which such shares are traded on the JSE, as determined over the 5 (five) business days immediately preceding the date of the acquisition of such shares by the Company or its subsidiaries;

8.8 the Company and/or its subsidiaries are not acquiring shares during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements unless they have in place a repurchase programme where the dates and quantities of shares to be traded during the relevant period are fixed (not subject to any variation) and full details of the programme have been disclosed in an announcement over the Stock Exchange News Service of the JSE prior to the commencement of the prohibited period;

8.9 the Company will not make any repurchase until such time as the Company's sponsor has provided the JSE with a letter in relation to the working capital statement set out below (as required in terms of the JSE Listings Requirements);

8.10 in the case of a derivative (as contemplated in the JSE Listings Requirements) the price of the derivative shall be subject to the limits set out in section 5.84(a) of the JSE Listings Requirements; and

8.11 any acquisitions are subject to exchange control approval at that point in time."

Reason for and effect of special resolution number 3

The reason for this special resolution is to grant the Company a general authority in terms of the Companies Act and the JSE Listings Requirements for the acquisition by the Company or any of its subsidiaries of shares issued by the Company, which authority shall be valid until the earlier of the next annual general meeting of the Company or the variation or revocation of such general authority by special resolution by any subsequent general meeting of the Company, provided that the general authority shall not extend beyond 15 (fifteen) months from the date of this Annual General Meeting. The effect of the passing of this special resolution will be to authorise the Company or any of its subsidiaries to acquire shares issued by the Company.

The Directors are of the opinion that it would be in the best interests of the Company to extend the current authority for the repurchase of shares by the Company or its subsidiaries, allowing the Company or any of its subsidiaries to be in a position to repurchase or purchase, as the case may be, the shares issued by the Company through the order book of the JSE, should the market conditions and price, as well as the financial position of the Company, justify such action, as determined by the Directors.

Repurchases or purchases, as the case may be, will only be made after careful consideration, where the Directors consider that such repurchase or purchase, as the case may be, will be in the best interests of the Company and its Shareholders.

Statement by the Board regarding special resolution number 3

Pursuant to and in terms of the JSE Listings Requirements, the Board hereby states that:

(a) the intention of the Directors is to utilise the general authority to acquire shares in the Company if at some future date the cash resources of the Company are in excess of its requirements or there are other good grounds for doing so. In this regard the Directors will take account of, inter alia, an appropriate capitalisation structure for the Company, the long-term cash needs of the Company, and the interests of the Company;

(b) in determining the method by which the Company intends to acquire its shares, the maximum number of shares to be acquired and the date on which such acquisition will take place, the Directors will only make the acquisition if at the time of the acquisition:

- the general repurchase has been authorised by the Board by resolution;
- it reasonably appears that the Company and the Group will satisfy the solvency and liquidity test as set out in section 4 of the Companies Act immediately after completing the general repurchase; and
- the Board has acknowledged that it has applied the solvency and liquidity test and reasonably concluded that the Company and the Group will satisfy the solvency and liquidity test immediately after completing the general repurchase;
- the Company and the Group will be able to pay their debts as they become due in the ordinary course of business for the next 12 (twelve) months after the date of the general repurchase;
- the assets of the Company and the Group, fairly valued in accordance with the accounting policies used in the latest audited financial statements, will be in excess of the liabilities of the Company and the Group for the next 12 (twelve) months after the date of the general repurchase;
- the issued share capital and reserves of the Company and the Group will be adequate for ordinary business purposes of the Company or any acquiring subsidiary for the next 12 (twelve) months after the date of the general repurchase;
- the working capital available to the Company and the Group will be sufficient for ordinary business purposes for the next 12 (twelve) months after the date of the general repurchase; and
- a working capital statement will be obtained from the Company's Sponsor as and when any acquisition of its shares is contemplated.

For purposes of considering special resolution number 3 and in compliance with paragraph 11.26(b) of the JSE Listings Requirements:

- the integrated report accompanying this notice of annual general meeting provides details of
  - the Directors and secretary of the Company on pages 89 and 135 respectively;
  - the major Shareholders of the Company on page 118;
  - the Directors' interests in shares in the Company on page 3 of the AFS; (http://oceana-integrated-report.co.za/group-financial-statements)
  - the share capital of the Company in note 19 on pages 28 and 29 of the AFS, and an analysis of Shareholders (including beneficial Shareholders – who hold 5% or more of the issued share capital of the Company – and of which the Company is aware, but who are not registered Shareholders) on page 118.

Material changes (paragraph 11.26(b)(iii) of the JSE Listings Requirements):

There have been no material changes to the Company and the Group's financial or trading position (other than as disclosed in the accompanying integrated report and AFS) since 30 September 2013.

Litigation statement

In terms of paragraph 11.26 of the JSE Listings Requirements, since the date of signature of the integrated report and AFS, the Directors are not aware of any legal or arbitration proceedings, including proceedings that are pending or threatened, that may have or have had, a material effect on the financial position of the Group between the date of the last integrated report's publication and the date of publication hereof.

Directors' responsibility statement

For purposes of special resolution number 3, the Directors, whose names are given on pages 89 and 91 of the integrated report, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the statement by the Board above contains all information required by law and the JSE Listings Requirements.

9. To adopt the Oceana 2013 Share Incentive Plan ("the Plan") in accordance with the JSE Listing Requirements. In accordance with schedule 14 to the JSE Listing Requirements read with article 18.28 of the Company's MOI, the adoption of the Plan must be approved by the passing of a special resolution requiring a 75% majority of votes cast in favour of such resolution by all equity security holders present or represented by proxy at the Annual General Meeting to approve such resolution. In compliance with items 14.6 and 14.7 of schedule 14 to the JSE listing Requirements, a copy of the Plan has been made available for inspection by Shareholders at the Company's registered office and in Johannesburg at the office of Commercial Cold Storage, 110 Merino Avenue, City Deep, Extension 1, Johannesburg and a summary of the principal terms of the Plan has been circulated, together with this notice of annual general meeting and is marked as Annexure A.

Special resolution number 4: Approval of the Oceana 2013 Share Incentive Plan

"Resolved that, in terms of schedule 14 of the JSE Listing Requirements read with article 18.28 of the Company's MOI and in accordance with the Companies Act, insofar as may be applicable, the Company hereby adopts the Oceana 2013 Share Incentive Plan (the principal terms of which were summarised and circulated to Shareholders together with the notice of this resolution) substantially in the form tabled at this meeting and initialled by the chairman for identification."

Reason for and effect of special resolution number 4

The reason for special resolution number 4 is to seek the approval of Shareholders for the Plan, in terms of schedule 14 of the JSE Listings Requirement read with article 18.28 of the Company's MOI. The effect of passing special resolution number 4 will be to provide the approval of Shareholders for the Plan, in terms of schedule 14 of the Listings Requirements read with article 18.28 of the Company's MOI.

10. Issue of shares or granting of options to directors and prescribed officers

Special resolution number 5 – Issue of shares or granting of options to directors and prescribed officers

"Resolved that, in terms of section 41(1) of the Companies Act that, subject to the passing of special resolution number 4 and special resolution number 5, Shareholders hereby approve the issue of shares or securities convertible into shares, the granting of options for the allotment of subscription of shares or other securities and/or the granting of any other rights exercisable for securities to be issued or granted in terms of the Oceana 2013 Share Incentive Plan to directors, future directors, prescribed officers or future prescribed officers of the Company and to persons related or interrelated to the Company or to a director or prescribed officer of the Company, and/or to nominees of such persons insofar as same is permitted under the Oceana 2013 Share Incentive Plan, on the terms and conditions as set out in the Oceana 2013 Share Incentive Plan."

Reason for and effect of special resolution number 5

The reason for special resolution number 5 is to obtain approval from Shareholders so as to enable the Company to issue shares and grant options to directors, future directors, prescribed officers and future prescribed officers of the Company and persons related or interrelated to the Company or to directors or prescribed officers of the Company or nominees thereof. The effect of special resolution number 5 is that, subject to the passing of special resolution number 4, the Company will have the necessary authority to issue such shares and grant such options to the persons contemplated in special resolution number 5 in accordance with the Oceana 2013 Share Incentive Plan.

11. To authorise the Directors to do all such things, sign all such documents and take all such actions as may be necessary for or incidental to the implementation of the ordinary and special resolutions contained in this notice of annual general meeting:

Ordinary resolution number 4: Authorisation of Directors

"Resolved that any Director of the Company or the company secretary be and is hereby authorised to sign all such documentation and to do all such things as may be necessary for or incidental to the implementation of ordinary resolutions 1 to 3 and special resolutions 1 to 5 which are passed by the Shareholders."

12. To transact such other business as may be transacted at an Annual General Meeting.

The percentage of voting rights of the votes, present in person, represented or by proxy at the Annual General Meeting, required for the passing of each special resolution proposed above is at least 75% (seventy five per cent) of the voting rights cast on such resolutions and for the passing of each ordinary resolution proposed above is more than 50% (fifty per cent) of the voting rights cast on such resolution.

As the approval of the remuneration report is not a matter that is required to be resolved or approved by Shareholders, no minimum voting threshold is required for the non-binding advisory vote. Nevertheless, for record purposes, the minimum percentage of voting rights that is required in favour of the remuneration report is 50% (fifty per cent) of the voting rights plus 1 (one) vote to be cast.

General instructions and information

All Shareholders are encouraged to attend, speak and vote at the Annual General Meeting and are entitled to appoint a proxy to attend, participate in and vote at the Annual General Meeting in the place of the Shareholder, or to appoint two or more proxies concurrently. The proxy duly appointed to act on behalf of a Shareholder need not also be a Shareholder. On a show of hands, every Shareholder present in person or represented shall have 1 (one) vote only. On a poll, every Shareholder present in person, by proxy or represented shall have one vote for every share held.

If you hold certificated shares (i.e. have not dematerialised your shares in the Company) or are registered as an own name dematerialised Shareholder (i.e. have specifically instructed your Central Securities Depository Participant ("CSDP") to hold your shares in your own name on the Company's subregister), then:

- you may attend and vote at the Annual General Meeting; alternatively
- you may appoint a proxy (who need not also be a Shareholder) to represent you at the Annual General Meeting by completing the attached form of proxy and, for administrative reasons, returning it to the office of the Company's transfer secretaries in South Africa not less than 24 hours before the time appointed for the holding of the Annual General Meeting (excluding Saturdays, Sundays and public holidays) or to the Company at the venue of the Annual General Meeting, provided that, should you return such form of proxy to the Transfer Secretaries in South Africa at the addresses on the inside back cover of the integrated report (see Administration) less than 24 hours before the Annual General Meeting, you will also be required to furnish a copy of such form of proxy to the chairman of the Annual General Meeting or his nominee before the appointed proxy exercises any of your Shareholder rights at the Annual General Meeting (or any postponement or adjournment of the Annual General Meeting). Please note that your proxy may delegate his/her authority to act on your behalf to another person, subject to the restrictions set out in the attached form of proxy as stipulated in section 58(3)(b) of the Companies Act.

Unless revoked before then, a signed proxy form shall remain valid at any adjournment or postponement of the Annual General Meeting and the proxy so appointed shall be entitled to vote, as indicated on the proxy form, on any resolution (including any resolution which is amended or modified) at such Annual General Meeting or any adjournment or postponement thereof.

Please note that if you are the owner of dematerialised shares (i.e. have replaced the paper share certificates representing the shares with electronic records of ownership under the JSE's electronic settlement system, Strate Limited (Strate)), held through a CSDP or broker and are not registered as an "own name" dematerialised Shareholder, you are not a registered Shareholder of the Company, but appear on the subregister of the Company held by your CSDP. Accordingly, in these circumstances subject to the mandate between yourself and your CSDP or broker, as the case may be:

- if you wish to attend the Annual General Meeting you must contact your CSDP or broker, as the case may be, and obtain the relevant letter of representation from them; alternatively
- if you are unable to attend the Annual General Meeting but wish to be represented at the Annual General Meeting, you must contact your CSDP or broker, as the case may be, and furnish them with your voting instructions in respect of the Annual General Meeting and/or request them to appoint a proxy. You must not complete the attached form of proxy. The instructions must be provided in accordance with the mandate between yourself and your CSDP or broker, as the case may be, within the time period required by them.

CSDPs, brokers or their nominees, as the case may be, recorded in the Company's subregister as holders of dematerialised shares held on behalf of an investor/beneficial owner in terms of Strate should, when authorised in terms of their mandate or instructed to do so by the owner on behalf of whom they hold dematerialised shares in the Company, may vote by either appointing a duly authorised representative to attend and vote at the Annual General Meeting or by completing the attached form of proxy in accordance with the instructions thereon and, for administrative reasons, returning it to the Company's transfer secretaries in South Africa not less than 24 hours before the time appointed for the holding of the Annual General Meeting (excluding Saturdays, Sundays and public holidays) or to the Company at the venue of the Annual General Meeting, provided that, should you return such form of proxy to the Company's transfer secretaries in South Africa at the addresses on the inside back cover of the integrated report (see "Administration") less than 24 hours before the Annual General Meeting, you will also be required to furnish a copy of such form of proxy to the chairman of the Annual General Meeting or his nominee before the appointed proxy exercises any of your Shareholder rights at the Annual General Meeting (or any postponement or adjournment of the Annual General Meeting).

Note that voting will be performed by way of a poll so that each Shareholder present or represented by way of proxy will be entitled to vote the number of shares held or represented by them.

Shareholders which are companies and wish to participate in the Annual General Meeting, may authorise any person to act as their representative at the Annual General Meeting.

By order of the Board

OCEANA GROUP LIMITED
per: JC Marais
Company secretary

4 December 2013

ANNEXURE A – SALIENT FEATURES OF THE OCEANA GROUP LIMITED 2013 SHARE PLAN (REFER TO SPECIAL RESOLUTION NUMBER 4)

1. PURPOSE

The purpose of the Oceana Group Limited Share Plan ("Plan") is to enhance the reward and performance characteristics of the current Oceana Group Phantom Share Option scheme, and thus to better attract, retain, motivate and reward executives and managers who are able to influence the performance of Oceana Group Limited ("Oceana") and its subsidiaries on a basis which aligns their interests with those of the Company's shareholders.

2. INTRODUCTION

Deloitte has been asked to recommend an appropriate long term (share based) incentive plan which is in line with global best practice, and emerging South African practice, and which serves to reward the required attributes of shareholder alignment, retention of key talent and long-term, sustained performance, all in what may become an increasingly more difficult and volatile market.

The Plan will provide for the inclusion of a number of additional performance conditions, designed to align the interests of participants with those of Oceana's shareholders.

3. GENERAL DESCRIPTION OF THE PLAN

Under the Plan executives and selected managers of the company and its subsidiaries will be offered annually a weighted combination from:

- Allocations of Share Appreciation Rights (cash settled),
- Conditional awards of (full value) Performance S hares, and
- Grants of (full value) Restricted Shares.

Share Appreciation Right element

Annual allocations of Share Appreciation Rights will be made to executives and selected managers. They will be available to be settled in equal thirds on the 3rd, 4th and 5th anniversaries but need not be exercised until the 7th anniversary, at which time they must be exercised or they will lapse.

On settlement, the value accruing to participants will be the appreciation of Oceana's share price. Settlement may be via cash (as is the case in the current scheme) or in shares, which shares may be issued and allotted, or acquired and transferred to participants. It has been agreed by the Remuneration Committee that this element will be cash settled.

Performance criteria will be stipulated (see Table 1 below) in which the number of Share Appreciation Rights vesting in relation to the full number allocated is reduced if company financial performance targets are not met.

Sliding scale for the application of performance vesting conditions (based on a targeted increase of 3% p.a. real growth rate in HEPS over 3, 4 and 5 year periods)

Threshold levels to real HEPS growth	% of allocation to vest
>0% and <0,5%	5
>0,5% and <1,0%	10
>1,0% and <1,5%	16
>1,5% and <2,0%	27
>2,0% and <2,5%	44
>2,5% and <3,0%	75
>3,0%	100

The Share Appreciation Right element is similar in architecture to Oceana's existing phantom share option scheme, but will incorporate a number of minor variations given its integration into the recommended hybrid design of the Plan.

In the past annual allocations have been made using set multiples of guaranteed package to define the face values and therefore, given the prevailing share (strike) price, a number of phantom share options to be offered. This same methodology is to be retained for allocations of Share Appreciation Rights, but the set multiple will be reduced (initially by 50%) in order to accommodate the parallel offer of two other elements, both forms of full value share.

Thus a form of appreciation unit will continue to be offered as in the past, but at a reduced level in terms of target reward, the balance being made up from a weighted combination of the other two elements that are herein below described.

Full value shares

When a participant exercises a phantom (or real) share option or Share Appreciation Right the value that accrues to him is the positive gain (appreciation) of the underlying share above the strike price. Full value shares differ in that there is no strike price; the full value of the share accrues to a participant on vesting. As such full value shares are not so reliant on share price growth, and not so sensitive to the volatility of share prices, the timing of offers and the external factors that can drive share prices more so than company performance.

Performance Share element

Annual conditional awards of Performance Shares will be made to executives. Performance Shares will vest on the 3rd anniversary of their award, to the extent that the company has met specified performance criteria over the intervening period. Essentially the value per share that vests is the full value of the share (there is no strike price), but the number of shares that will vest will depend on whether the company's performance over the intervening three year period has been, on target, an under performance, or an over performance, against the target(s) set at award date.

The Board will dictate the performance criteria for each award, and it is initially recommended that vesting will be determined in terms of the company's comparative Total Shareholder Return ("TSR") in relation to a comparator group. TSR is defined as the increase in market value of a portfolio of shares on the assumption that dividends are reinvested.

The design intention is to select a comparator group which represents an alternative portfolio of investments that the shareholders of Oceana could have made, and which in aggregate are likely to be similarly affected by the same external influences.

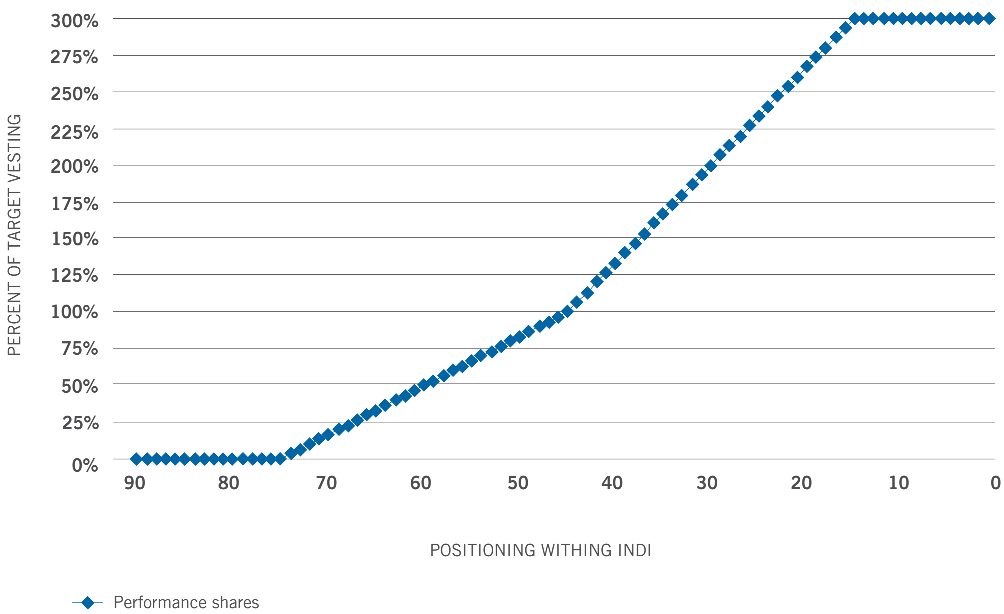
Oceana executives and RemCom members have indicated that the preferred approach is to use the companies on the full JSE Industrial Index as the comparator group. An illustration of performance vesting is shown in the table below.

If at the vesting date when measurement is required and the comparator group looks different to the original selection (i.e. new companies listed, delisted etc.), it will depend on the circumstances, but as long as there is not a major delisting of companies (unlikely), then the departing company is just taken out of the comparator group. New companies are not considered for past awards. Mergers of two companies already in the list are usually left in, and given a common TSR score.

The performance curve above illustrates the following relationships

- If Oceana's TSR over the three year period places it in 45th position (approx. median), then the targeted number (one third of the maximum number) of Performance Shares awarded will vest.
- If Oceana's TSR over the three year period places it in 15th position (approx. upper quartile) or better, then the maximum number (three times the targeted number) of Performance Shares awarded will vest.
- If Oceana's TSR over the three year period places it in 75th position (approx. lower quartile) or worse, then all Performance Shares awarded will be forfeited.
- If Oceana's performance over the three year period lies between any of the above points, then a prorated number of Performance Shares will vest.

VESTING VS TSR POSITIONING WITHIN INDI



Please note however that although comparative performance is an effective way of targeting performance and shareholder alignment, and negating the influence of external factors, Oceana may also elect to adopt absolute financial targets (earnings growth or return on capital targets), or a sustainability scorecard alongside comparative TSR.

No retesting against the performance criteria will be allowed. Any Performance Shares which do not vest at the end of the three year period will be forfeited.

Performance Shares closely align the interests of shareholders and executives by rewarding superior shareholder and financial performance in the future. Performance Shares will be awarded predominantly to senior executives who can influence and impact long term strategic performance.

Restricted Share element

On an annual basis, executives and senior managers (Grades E & F) will receive a grant of Restricted Shares. The value of Restricted Shares granted will be linked to the annual cash bonus scheme, in one of, or a combination of:

- Bonus Matching
  - Matching, according to a specified ratio, the actual annual cash incentive accruing to the executive.
  - Standard matching ratios will be set for each grade, based on:
    - The on target bonus percentage for the grade, and
    - The required balance within the offers of full value shares between Performance Shares and Restricted Shares

Note the standard matching ratio (although designed in relation to the on target bonus) will be applied to the actual bonus achieved, irrespective of how this relate to on target.

- Deferred bonus – Co-investment plan- A prior year end election to invest in Oceana shares utilising a portion (25%, 33% or 50%) of an individual's bonus calculation and its immediate conversion into Restricted Shares, with 1 for 1 matching with additional Restricted Shares. As the individual is effectively opting to put an element of a cash bonus that would otherwise accrue to him at risk, this sub -element of the Plan may be referred to as a "co-investment plan".

Restricted Shares will vest after three years, and will provide shareholder alignment and share based retention to those senior managers who through their performance on an annual basis have demonstrated their value to the company. A claw-back provision will in place that will allow for the number originally granted restricted to be adjusted downwards for unsatisfactory performance during the vesting period.

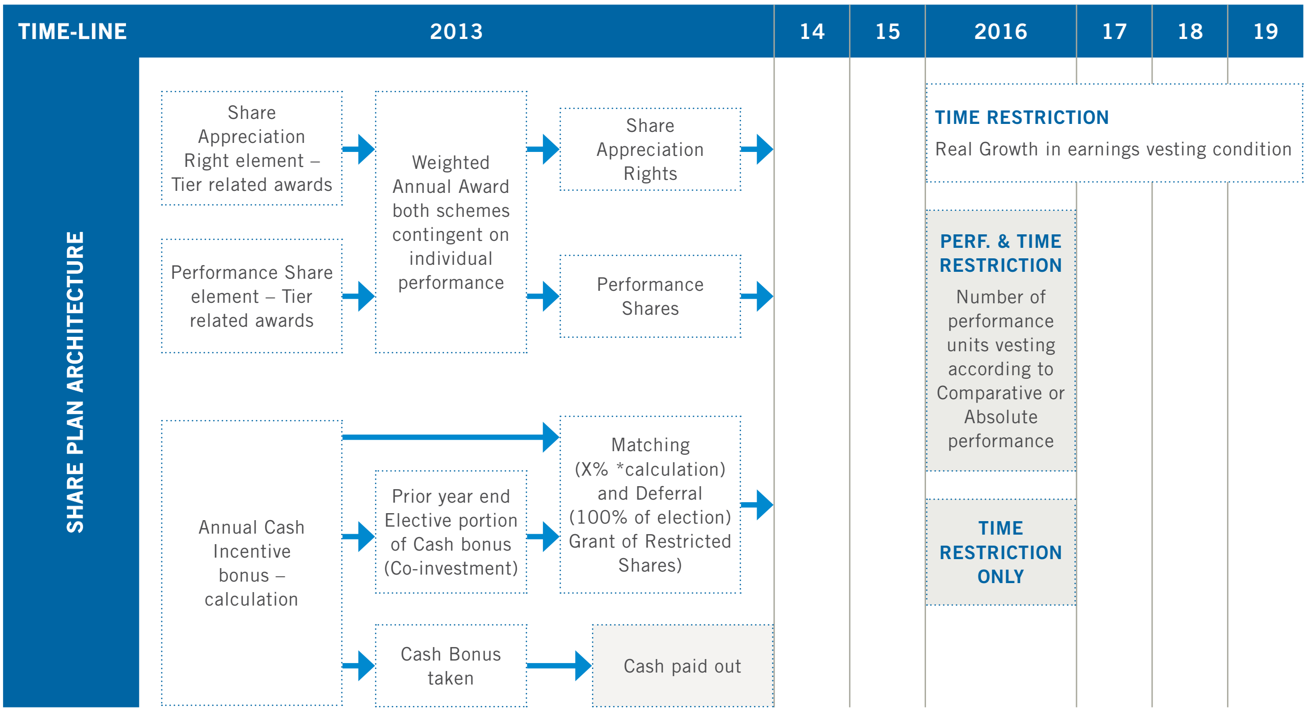
Restricted Shares will be predominantly granted to high performing senior managers to assist in their retention, with the co-investment opportunity being offered to senior executives (Grade F/Executive Committee).

The combined elements of the hybrid Share Plan

It is firmly believed that the combining of the Share Appreciation Right element (a variation of the current phantom share option scheme) with a full value share plan element (in its two variations) will serve to reward the required attributes of shareholder alignment, retention of key talent and long-term, sustained performance, as well as share price growth.

Offers will be governed by Oceana's reward philosophy and strategy (pay mix), in which (inter alia) the "target reward" of incentive reward is set for defined categories of executives and senior management.

Target Reward is defined as the present value of the future reward outcome of an Allocation/Award/Grant, given the targeted future performance of the Company and of its share price. It should not be confused with the term "fair value" which is used when establishing the accounting cost for reflection in a company's financial statements. Neither should it be confused with the term "face value" which is used to define the current value of the underlying share at the time of allocation/award/grant.



It is envisaged that the combined, weighted implementation of the above long term incentive elements will allow Oceana to remain competitive in annual and share based incentives, and ensure that executives share a significant level of personal risk with the company's shareholders.

The three elements of the hybrid Plan – also the interaction of Restricted Shares with the annual cash incentive.

The above schematic (Table 3) captures the essence of the combined elements of the Plan. Please note that the apparent complexity results from the conjunction of three separate elements into one integrated whole. Much of the complexity will fall away in the implementation of the finally approved Plan.

Underlying all the apparent complexity are three major concepts:

1. Current scheme to be replaced/displaced to allow:
   a. A more flexible form of appreciation scheme, and
   b. The advent of full value (free) shares
2. Full value (free) shares to be offered in two variations:
   a. Performance Shares which require a future performance of the company, and
   b. Restricted Shares that reflect the recent past performance and/or commitment of individuals.
3. Restricted Shares are a matching of the calculated cash bonus, and additionally the elective deferral and matching of a portion of the bonus.

4. **ADMINISTRATION OF THE PLAN**
The Board will ultimately be responsible for the administration of the Plan, but may delegate these functions to the HR Department and/or the Secretary.

5. **SETTLEMENT**
It is envisaged that settlement will be via cash for the Share Appreciation Rights and via shares (equity settlement) for the Performance and Restricted shares, although the documentation allows for either equity or cash settlement in respect of all three elements at the Board's discretion. In equity settlement, the documentation allows for settlement to be via issue and allotment (incurring shareholder dilution) or acquisition and transfer (requiring the purchase of shares in the open market).

6. **ELIGIBILITY**
Any executive or manager of Oceana or its subsidiaries may be selected by the Board to be participants in the Plan. It is envisaged that all executives and senior managers will receive on an annual basis, allocations in terms of the Share Appreciation Right element and awards in terms of the Performance Share element. Additionally, grants in terms of the Restricted Share element will be made to the extent that the affected participant is actually entitled to receive an annual incentive bonus in respect of the immediately preceding financial year.

7. **TERMINATION OF EMPLOYMENT & CHANGE OF CONTROL**
The provisions for termination of employment and change of control (inter alia) have been drafted and essentially mimic those that are currently in place for the Phantom Share Option Scheme.

8. **OTHER TERMS AND CONDITIONS**
A set of Plan Rules has been drafted which will, once approved by the JSE and shareholders, govern the rights and obligations of the participants, the company and its shareholders.

FORM OF PROXY

Annual General Meeting Thursday, 13 February 2014

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

For use at the annual general meeting of shareholders of the Company ("Shareholders") to be held at 7th Floor, Oceana House, 25 Jan Smuts Street, Foreshore, Cape Town, 8001 on Thursday, 13 February 2014, at 14:00 ("Annual General Meeting") and at any adjournment or postponement thereof.

Not to be used by beneficial owners of shares who have dematerialised their shares ("dematerialised shares") through a Central Securities Depository Participant ("CSDP") or broker, as the case may be, unless they are recorded on the subregister as "own name" dematerialised Shareholders ("own name dematerialised Shareholders"). Generally, a Shareholder will not be an own name dematerialised Shareholder unless the Shareholder has specifically requested the CSDP to record the Shareholder as the holder of the shares in the Shareholder's own name in the Company's subregister.

Only for use by certificated, own name dematerialised Shareholders and CSDPs or brokers (or their nominees) registered in the Company's subregister as the holder of dematerialised shares.

Each Shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies (none of whom need be a Shareholder) to attend, speak and vote in place of that Shareholder at the Annual General Meeting and any adjournment or postponement thereof.

Please note the following:

- the appointment of a proxy will be suspended at any time and to the extent that a Shareholder chooses to act directly and in person in the exercise of the Shareholder's rights as a Shareholder at the Annual General Meeting;
- the appointment of the proxy is revocable; and
- a Shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy, and to the Company; and
- unless revoked before then, a signed proxy form shall remain valid at any adjournment or postponement of the Annual General Meeting and the proxy so appointed shall be entitled to vote, as indicated on the proxy form, on any resolution (including any resolution which is amended or modified) at such Annual General Meeting or any adjournment or postponement thereof.

Please note that any Shareholder of the Company which is a company may authorise any person to act as its representative at the Annual General Meeting. Please also note that section 63(1) of the Companies Act, 71 of 2008, as amended ("Companies Act") requires that persons wishing to participate in the Annual General Meeting (including the aforementioned representative) provide satisfactory identification before they may so participate.

Note that voting will be performed by way of a poll so that each Shareholder present or represented by way of proxy will be entitled to a number of votes equal to the number of shares held or represented by them.

My/our proxy may delegate to another person his/her authority to act on my behalf at the Annual General Meeting, provided that my/our proxy:

- may only delegate his/her authority to act on my behalf at the Annual General Meeting to a director of the Company;
- must provide written notification to the transfer secretaries of the Company in South Africa, namely Computershare Investor Services Proprietary Limited, of the delegation by my/our proxy of his/her authority to act on my behalf at the Annual General Meeting by no later than 14:00 on Wednesday, 12 February 2014, being 24 hours before the Annual General Meeting to be held at 14:00 on Thursday, 13 February 2014; and
- must provide to his/her delegate a copy of his/her authority to delegate his/her authority to act on my behalf at the Annual General Meeting.

Refer to notes that follow the resolutions.

To be returned to the transfer secretaries of Oceana Group Limited, namely

Computershare Investor Services Proprietary Limited
70 Marshall Street Johannesburg 2001
PO Box 61051 Marshalltown 2107

as soon as possible to be received, for administrative reasons, not later than 24 hours before the meeting.

FORM OF PROXY
continued

I/we (full names) ____

of (address) ____

____

Telephone: Work ______________ Cell ______________ Home ______________

being a shareholder(s) of the Company, holding ______________ shares in the Company

hereby appoint (refer note 1): ______________________________ or failing him/her

______________________________ or failing him/her

or failing him/her the chairman of the Annual General Meeting as my/our proxy to act for me/us on my/our behalf at the aforementioned Annual General Meeting of Shareholders which will be held for the purpose of considering and, if deemed fit, passing the resolutions to be proposed thereat with or without modification or amendment, and at any adjournment or postponement thereof and to vote for or against such resolutions or to abstain from voting and to vote for or against any motions to postpone or adjourn the Annual General Meeting 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:

Insert an 'X' in the relevant spaces according to how you wish your votes to be cast. If you wish to cast less than all the votes in respect of the shares held by you, insert the number of shares in respect of which you desire to vote (see note 2). Unless otherwise instructed my/our proxy can vote as he/she deems fit.		Votes		
	Resolutions	**For**	**Against**	**Abstain**
1.1	Ordinary resolution number 1.1: Election of PG de Beyer as director			
1.2	Ordinary resolution number 1.2: Election of FP Kuttel as director			
1.3	Ordinary resolution number 1.3: Election of PB Matlare as director			
1.4	Ordinary resolution number 1.4: Election of TJ Tapela as director			
1.5	Ordinary resolution number 1.5: Election of NP Doyle as director			
1.6	Ordinary resolution number 1.6: Election of I Soomra as director			
2.	Ordinary resolution number 2: Appointment of Deloitte & Touche as auditor			
3.1	Ordinary resolution number 3.1: Election of ZBM Bassa as audit committee member			
3.2	Ordinary resolution number 3.2: Election of PG de Beyer as audit committee member			
3.3	Ordinary resolution number 3.3: Election of S Pather as audit committee member			
4.	Non-binding advisory vote: Approve the Company's remuneration policy			
5.	Special resolution number 1: Approve and authorise the provision of financial assistance by the Company as contemplated in section 45 of the Companies Act			
6.	Special resolution number 2: Approve the non-executive directors' remuneration in their capacity as directors only			
7.	Special resolution number 3: General approval and authorisation to repurchase shares by the Company or its subsidiaries			
8.	Special resolution number 4: To approve the Oceana 2013 Share Incentive Plan			
9.	Special resolution number 5: Approve the issue of shares or granting of options to directors and prescribed officers under S41(1).			
10.	Ordinary resolution number 4: Authorisation for the Directors to do all such things, sign all such documents and to do all such things as may be necessary for or incidental to the implementation of the special and ordinary resolutions contemplated herein			

Signed at ______________ on this ______________ day of ______________ 2014

Signature ____
assisted by (where applicable) signature

Name of signatory ______________________ Name of assistant ______________________

Capacity ______________________ Capacity ______________________

(Authority of signatory to be attached if applicable – see note 6)

Summary of Shareholder's rights in respect of proxy appointments as contained in section 58 of the Companies Act.

Please note that in terms of section 58 of the Companies Act:

- this proxy form must be dated and signed by the Shareholder appointing the proxy;
- you may appoint an individual as a proxy, including an individual who is not a Shareholder, to participate in and speak and vote at the Annual General Meeting on your behalf and may appoint more than one proxy to exercise voting rights attached to shares held by you;
- your proxy may delegate his/her authority to act on your behalf to another person, subject to any restriction set out in this proxy form;
- this proxy form must be delivered to the Company (at the venue of the Annual General Meeting), or (by the time specified in this proxy form) to the transfer secretaries of the Company in South Africa, namely Computershare Investor Services Proprietary Limited, before your proxy exercises any of your rights as a Shareholder at the Annual General Meeting;
- the appointment of your proxy or proxies will be suspended at any time and to the extent that you choose to act directly and in person in the exercise of any of your rights as a Shareholder at the Annual General Meeting;
- the appointment of your proxy is revocable unless you expressly state otherwise in this proxy form;
- as the appointment of your proxy is revocable, you may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy, and to the Company. Please note the revocation of a proxy appointment constitutes a complete and final cancellation of your proxy's authority to act on your behalf as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered to the Company and the proxy as aforesaid;
- if this proxy form has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the Company's memorandum of incorporation to be delivered by the Company to you will be delivered by the Company to you or your proxy or proxies, if you have directed the Company to do so, in writing and paid any reasonable fee charged by the Company for doing so;
- your proxy is entitled to exercise, or abstain from exercising, any voting right of yours at the Annual General Meeting, but only as directed by you on this proxy form; and
- the appointment of your proxy remains valid only until the end of the Annual General Meeting or any adjournment or postponement thereof or for a period of one year, whichever is shortest, unless it is revoked by you before then on the basis set out above.

The proxy form shall be valid and shall apply to any adjournment or postponement of the Annual General Meeting to which it relates and shall apply to any resolution proposed at the Annual General Meeting to which it relates and to such resolution as modified or amendment including any such modified or amended resolution to be voted on at any adjourned or postponed meeting of the Annual General Meeting to which the proxy relates, unless before the adjourned or postponed meeting the appointment of the proxy is revoked.

Please also read the notes overleaf.

Notes relating to form of proxy

1. A certificated or own name dematerialised Shareholder or nominee of a CSDP or broker registered as a Shareholder in the Company's subregister 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 chairman 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 proxy to the exclusion of those whose names follow thereafter. If no proxy is inserted in the spaces provided, then the chairman shall be deemed to be appointed as the proxy.
2. A Shareholder's instructions to the proxy must be indicated in the appropriate space provided. If there is no clear indication as to the voting instructions to the proxy, the proxy will be deemed to be authorised 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, but the total of the votes cast or abstained may not exceed the total of the votes exercisable by the Shareholder.
3. Proxy forms should be lodged with the Company's transfer secretaries in South Africa, Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg, 2001, or posted to Computershare Investor Services Proprietary Limited, PO Box 61051, Marshalltown, 2107. Forms of proxy should, for administrative reasons, be received by or lodged with the Company's transfer secretaries by no later than 24 hours (excluding Saturdays, Sundays and public holidays) before the Annual General Meeting (i.e. by 14:00 on Wednesday, 12 February 2014) but may be furnished to the chairman of the meeting or his nominee at the time and venue of the meeting (or any postponement or adjournment thereof) before your proxy exercises any of your Shareholder rights at such meeting.
4. The completion and lodging of this proxy form will not preclude the relevant Shareholder from attending the Annual General Meeting (or any adjournment or postponement thereof) and speaking and voting in person thereat to the exclusion of any proxy appointed in terms of this proxy form.
5. 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 Shareholders, will be accepted.
6. 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 transfer secretaries or waived by the chairman of the Annual General Meeting if he is reasonably satisfied that the right of the representative to participate and vote has been reasonably verified. CSDPs or brokers registered as Shareholders in the Company's subregister voting on instructions from owners of shares registered in the Company's sub-subregister, are requested to identify the owner in the sub-subregister on whose behalf they are voting and return a copy of the instruction from such owner to the Company's transfer secretaries together with this form of proxy.
7. Any alteration or correction made to this proxy form must be initialled by the signatory/ies, but will only be validly made if such alteration or correction is accepted by the chairman.
8. 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 Company's transfer secretaries.
9. Certificated Shareholders which are a Company or body corporate may by resolution of their directors, or other properly authorised body, in terms of section 57 of the Companies Act, authorise any person to act as their representative.
10. The chairman of the Annual General Meeting may, in his/her discretion, accept or reject any form of proxy which is completed other than in accordance with these notes.
11. If required, additional forms of proxy are available from the Company's transfer secretaries or the registered office of the Company.
12. If you are the owner of dematerialised shares held through a CSDP or broker (or its nominee) and are not an own name dematerialised Shareholder, then you are not a Shareholder of the Company, but appear as the holder of a beneficial interest on the relevant subregister of the Company held by your CSDP. Accordingly, in these circumstances, do NOT complete this proxy form subject to the mandate between yourself and your CSDP or broker:
    - if you wish to attend the Annual General Meeting you must contact your CSDP or broker, as the case may be, and obtain the relevant letter of representation from them; alternatively
    - if you are unable to attend the Annual General Meeting but wish to be represented at the meeting, you must contact your CSDP or broker, as the case may be, and furnish them with your voting instructions in respect of the Annual General Meeting and/or request them to appoint a proxy. You must not complete the attached form of proxy. Your instructions must be provided in accordance with the mandate between yourself and your CSDP or broker, as the case may be.

      CSDPs, brokers or their nominees, as the case may be, recorded in the Company's subregister as holders of dematerialised shares held on behalf of an investor/beneficial owner in terms of Strate should, when authorised in terms of their mandate or instructed to do by the person on behalf of whom they hold the dematerialised shares, vote by either appointing a duly authorised representative to attend and vote at the Annual General Meeting or by completing the attached form of proxy in accordance with the instructions thereon and returning it to the Company's transfer secretaries to be received, for administrative reasons, not less than 24 hours prior to the time appointed for the holding of the meeting (excluding Saturdays, Sundays and public holidays).

CORPORATE INFORMATION AND ADVISORS

Company secretary and address
JC Marais
9th Floor, Oceana House
26 Jan Smuts Street
Foreshore
Cape Town, 8001
(PO Box 7206, Roggebaai, 8012)

Transfer secretaries
Computershare Investor Services Proprietary Limited
70 Marshall Street
Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)

Corporate law advisor
Edward Nathan Sonnenbergs Inc
(Registration Number: 2006/018200/21)
1 North Wharf Square
Loop Street
Cape Town, 8001
(PO Box 2293, Cape Town, 8000)

Sponsor
The Standard Bank of South Africa Limited
3rd Floor, East Wing
30 Baker Street
Rosebank, 2196
(PO Box 61344, Marshalltown, 2107)

Sponsor in Namibia
Old Mutual Investment Services (Namibia) Proprietary Limited
Member of the Namibian Stock Exchange
(Registration number: 2004/081)
5th Floor, Mutual Platz
Post Street Mall
Windhoek, Namibia
(PO Box 25549, Windhoek, Namibia)

Receiving office in Namibia
Transfer Secretaries Proprietary Limited
Shop 8 Kaiser Krone Centre
Post Street Mall
Windhoek, Namibia
Fax number: +264 61 248531

Date of incorporation: 30 July 1918
Place of incorporation: South Africa

Sponsor

Standard Bank

Corporate Law Advisor

ens.co.za

Transfer secretaries

Computershare

Sponsor in Namibia

OLD MUTUAL
Old Mutual Investment Services (Namibia)

Receiving office in Namibia

Transfer Secretaries (Proprietary) Limited

GLOSSARY

Abbreviations and acronyms used in this report

AFS	Annual financial statements
Aids	Acquired immune deficiency syndrome
B-BBEE	Broad-based black economic empowerment
BCP	Blue Continent Products Proprietary Limited
CAGR	Compound annual growth rate
CCS	Commercial Cold Storage Group Limited
CEO	Chief Executive Officer
CSI	Corporate social investment
DAFF	Department of Agriculture, Forestry and Fisheries
DIFR	disabling injury frequency rate
dti	Department of Trade and Industry
EU	European Union
FAWU	Food and Allied Workers Union
GHG	Greenhouse gas
grt	gross registered tons
GSS	Group Strategic Services
HEPS	Headline earnings per share
HIV	Human immunodeficiency virus
HR	Human resources
IFFO RS	The International Fishmeal and Fish Oil Organisation Responsible Supply
IFRS	International Financial Reporting Standards
IQF	Individually quick frozen
IS	Information System
IT	Information technology
JSE	Johannesburg Stock Exchange
LBF	Lamberts Bay Foods Limited
LSM	Living standards measure
MFMR	Ministry of Fisheries and Marine Resources
MSC	Marine Stewardship Council
NGO	Non-governmental organisation
NSX	Namibian Stock Exchange
Oceana Group	Oceana Group Limited and subsidiaries
PMCL	Precautionary maximum catch limit
QSR	Quick service restaurant
RFA	Responsible Fisheries Alliance
SAMSA	South African Maritime Safety Association
SASSI	Southern African Sustainable Seafood Initiative
SENS	Stock Exchange News Service
TAC	Total allowable catch
TAE	Total allowable effort
TALFU	Trawler and Line Fishermen's Union
USA	United States of America
WWF	World Wide Fund for Nature
ZAR	South African rand

ADMINISTRATION

Registered office and business address
9th Floor, Oceana House
25 Jan Smuts Street
Foreshore, Cape Town 8001
PO Box 7206, Roggebaai 8012
Telephone: National 021 410 1400
International +27 21 410 1400
Facsimile: +27 21 419 5979
E-mail: info@oceana.co.za
Website: www.oceana.co.za

Secretary
JC Marais (41)
BA LLB
Appointed in 2011

Company registration number
1939/001730/06

JSE share code
OCE

NSX share code
OCG

Company ISIN
ZAE000025284

Transfer secretaries
Computershare Investor Services Proprietary Limited
70 Marshall Street
Johannesburg 2001
PO Box 61051, Marshalltown 2107
Telephone: +27 11 370 5000
Facsimile: +27 11 688 5216

Bankers
The Standard Bank of South Africa Limited
FirstRand Bank Limited
Nedbank Limited

Auditors
Deloitte & Touche

JSE sponsor
The Standard Bank of South Africa Limited

NSX sponsor
Old Mutual Investment Services (Namibia) Proprietary Limited

SHAREHOLDERS' DIARY

Financial year-end	30 September
Annual general meeting	February
Reports and profit statements	
Interim report	Published May
Announcement of annual results	Published November
Integrated report	Published December
Dividends	– Interim declared May, paid July
	– Final declared November, paid January

GREYMATTER & FINCH # 7243


2013
SHARED VALUE
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ZR 3587
OCEANA GROUP
Oceana Group Limited Annual Financial Statements 2013

CONTENTS

OCEANA GROUP

Oceana Group Limited
Incorporated in the Republic of South Africa
(Registration number 1939/001730/06)
(Oceana or the company or the group)

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The group annual financial statements and the company annual financial statements for the year ended 30 September 2013, which appear on pages 3 to 44, were approved by the board of directors on 7 November 2013 and signed on its behalf by:

MA Brey
Chairman

FP Kuttel
Chief executive officer

PREPARATION OF ANNUAL FINANCIAL STATEMENTS

The group annual financial statements and the company annual financial statements were prepared under the supervision of the group financial director, I Soomra CA(SA). These annual financial statements have been audited in compliance with the Companies Act, 71 of 2008, as amended (the Companies Act).

REPORT OF THE COMPANY SECRETARY

In terms of section 88(2)(e) of the Companies Act, I certify that the company has lodged with the Commissioner all such returns as are required by the Companies Act, and that all such returns are true, correct and up to date.

JC Marais
Company secretary

7 November 2013

INDEPENDENT AUDITOR'S REPORT

to the shareholders of Oceana Group Limited

We have audited the consolidated and separate financial statements of Oceana Group Limited set out on pages 6 to 43, which comprise the statements of financial position as at 30 September 2013, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements

The company's directors are responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated and separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Oceana Group Limited as at 30 September 2013, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards, and the requirements of the Companies Act of South Africa.

Other reports required by the Companies Act

As part of our audit of the consolidated and separate financial statements for the year ended 30 September 2013, we have read the report of the directors, the report of the audit committee and the report of the company secretary for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated and separate financial statements. These reports are the responsibility of the respective preparers. Based on reading these reports we have not identified material inconsistencies between these reports and the audited consolidated and separate financial statements. However, we have not audited these reports and accordingly do not express an opinion on these reports.

Deloitte & Touche

Deloitte & Touche
Registered auditors

Per GG Fortuin
Partner

7 November 2013

REPORT OF THE DIRECTORS

The directors submit their report which forms part of the annual financial statements for the year ended 30 September 2013.

Nature of business and operations
The group consists of a number of operating subsidiaries and joint ventures in the fishing and commercial cold storage industries. The group engages in the catching, processing and procurement of various marine species, including pilchard, anchovy, redeye herring, tuna, lobster, squid, horse mackerel and hake. In addition, the company also carries on the business of investing funds surplus to its immediate requirements and providing funding and management services to subsidiaries.

Share capital
During the year under review 85 000 shares (2012: 223 000 shares) were allotted in terms of the company's share option scheme, increasing the issued share capital by R85 (2012: R223). Premiums totalling R1,4 million (2012: R3,5 million) 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.

The company's shares are listed on the JSE Limited (JSE share code: OCE) and the Namibian Stock Exchange (NSX share code: OCG).

Financial results
The results for the year under review are reflected in the statements of comprehensive income on page 12.

Special resolutions
During the year the company's shareholders passed five special resolutions: to adopt a new memorandum of incorporation; to approve and authorise the provision of financial assistance by the company as contemplated in section 45 of the Companies Act; to approve the non-executive directors' remuneration in their capacity as directors only; to grant general approval and authorisation to repurchase the issued shares by the company or its subsidiaries and to grant specific authority to potentially repurchase issued shares in terms of a call option granted to the company.

Dividends
Dividends paid during the year and dividends declared after the reporting date are set out in note 9.

Acquisition
The hake and horse mackerel fishing rights and related assets, as well as its cold storage business, were purchased from the Lusitania group and associated companies, effective 18 September 2012. The total purchase consideration was R116,3 million, of which R105,3 million was paid by 30 September 2012. The outstanding purchase price was settled during the current year. The acquisition was accounted for on a provisional basis in the 2012 annual financial statements and has subsequently been finalised with no adjustments. Regulatory approval was received during the current year for the transfer of additional hake fishing rights from a Lusitania company. This transaction has been disclosed in note 11.

Property, plant and equipment
Capital expenditure during the year amounted to R23,2 million on expansion (2012: R2,1 million) and R109,7 million on replacement assets (2012: R67,7 million). During the year there was no major change in the nature of the assets nor in the policy relating to their use. Further details are disclosed in note 10.

Directors and officers
The names of the present directors can be found on the inside back cover of the annual financial statements, along with the name, business and postal address of the company secretary.

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

	Number of shares		
2013	**Direct beneficial**	**Indirect beneficial**	**Aggregate**
ABA Conrad	**500**	**123 500**	**124 000**
PG de Beyer	**3 000**		**3 000**
2012			
ABA Conrad	500	123 500	124 000
PG de Beyer	3 000		3 000
RG Nicol	147 000	2 000	149 000

There have been no changes in the above interest since the year-end. No director holds 1% or more of the issued share capital of the company. Details of directors' individual interests in options held in terms of the Oceana Group (1985) Share Option and Share Purchase Schemes are set out in note 30.

Subsidiaries and joint ventures
Details of subsidiaries and joint ventures are given in separate schedules on pages 42 and 43.

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:

	2013 R'000	2012 R'000
Total profit after taxation attributable to shareholders of Oceana Group Limited	**482 037**	433 553
Total losses after taxation attributable to shareholders of Oceana Group Limited	**6 050**	6 562

Going concern
The directors consider both the group and the company to be going concerns.

Foodcorp acquisition
Further to the announcement released on the Stock Exchange News Service of the JSE on 4 June 2013 in respect of Oceana's acquisition of the fishing interests of Foodcorp Proprietary Limited (Foodcorp), the Competition Commission has approved the acquisition, subject to certain conditions. One of these conditions is not acceptable to both Oceana and Foodcorp. Accordingly, the parties will file a Request for Consideration with the Competition Tribunal challenging the condition in question. In the interim, Oceana and Foodcorp have agreed to extend the sale of business agreement for a further three months to 31 January 2014.

Events subsequent to the reporting date
No events occurred subsequent to the reporting date that may have an impact on the group's and company's reported financial position at 30 September 2013, or that require separate disclosure.

REPORT OF THE AUDIT COMMITTEE

COMPOSITION OF THE COMMITTEE

The audit committee appointed by the shareholders on 14 February 2013 to hold office until the conclusion of the next annual general meeting (AGM) scheduled for 13 February 2014, comprises three independent non-executive directors of the company, being Mr S Pather (Chairman) [BBusSc; BCom (Hons); MBA], Ms ZBM Bassa [BAcc; CA(SA)] and Mr PG de Beyer [BBusSc; FASSA]. The members possess the necessary expertise to perform the functions of an audit committee.

The agenda for the company's forthcoming AGM includes resolutions to be proposed to shareholders for the election of three of its independent non-executive directors to comprise the audit committee from that date.

CHARTER

The audit committee has a charter, approved by the board. The charter is reviewed annually and was updated during the year under review.

The committee's responsibilities are detailed in the charter which can be viewed on the company's website. The committee's charter allows it to consult with specialists to assist it in the performance of its functions, subject to a board-approved process.

WORK PLAN AND MEETINGS

The committee adopted a formal work plan designed to structure execution of responsibilities over the year. The audit committee acts as such for Oceana's South African subsidiaries. It met twice during the year under review, with full attendance by all members. Attendance at meetings by directors who are not members of the committee and management is by way of invitation.

The committee provides a forum through which the external and internal auditors report to the board. The external and internal auditors attend committee meetings and have unrestricted access to the committee and its chairman at all times, ensuring that their independence is not impaired. Both the external and internal auditors have the opportunity of addressing the committee and its chairman at each of the meetings without management being present.

The committee reviews detailed reports from both the external and internal auditors and the chairman of the committee reports on the findings of the external and internal auditors at board meetings.

APPOINTMENT OF EXTERNAL AND INTERNAL AUDITORS

In terms of section 94 of the Companies Act the committee is required to nominate for appointment by the shareholders at the company's annual general meeting an independent registered external auditor. The committee has nominated Deloitte & Touche for such appointment as the company's external auditor at the annual general meeting of the company scheduled for 13 February 2014.

Additionally, in terms of its charter it is responsible for the appointment of the company's internal auditors. KPMG performed this function for the past year and were reappointed as internal auditors for the 2014 financial year.

The committee approves the fees of external and internal audit and the scope of external non-audit services and internal audit services.

It is responsible for the maintenance of a professional relationship with both the external and internal auditors and oversees co-operation between these parties.

INDEPENDENCE OF EXTERNAL AUDITORS

The committee has formal rules regulating the services and conditions of use of non-audit services provided by the external auditors, governing, inter alia, compliance issues, taxation, company structure, information systems, organisational structure, remuneration structure, risk management services, audit certificates in relation to fishing rights, due diligence investigations and such other services as the committee may approve. The company's independent external auditors do not assist in the performance of any internal audit assignments. The nature and extent of all non-audit services provided by the external auditors are pre-approved and reviewed by the committee to ensure compliance with the company's policy. The committee is satisfied that the external auditors are independent of the company. The committee and management maintained a positive, objective and professional relationship with the partner responsible for the supervision and direction of the audit. The committee considered and determined the fees and terms of engagement of the external auditors.

INTERNAL AUDIT

The internal audit function is conducted by a professional firm of registered accountants and auditors, KPMG. They operate in terms of the internal audit charter, which was reviewed during the year, and under the direction of the audit committee, which approves the scope of the work to be performed. Significant findings are reported to both executive management and the audit committee and corrective action is taken by management to address identified internal control deficiencies.

In addition, the internal auditors followed up on all previously reported findings, and where progress against previously agreed management action is deemed insufficient, such findings are escalated to the audit committee in accordance with the reporting framework.

COMPLAINTS AND/OR CONCERNS

No complaints or concerns were received by the committee on any matters relating to the accounting practices and internal audit of the company, the content or auditing of the company's financial statements, the internal financial controls of the company or on any other related matter during the year under review.

GOING CONCERN

The committee reviewed the going concern assumptions as well as the solvency and liquidity tests required to be performed before payments of dividends and provision of financial assistance to related or inter-related parties as required by the Companies Act.

ASSURANCE

Each year the committee reviews, updates and approves an internal audit plan. The plan is compiled using a risk-based approach and through extensive consultation between the internal auditors and Oceana management, taking into consideration the entire risk universe affecting Oceana. A more advanced Combined Assurance Plan (CAP) which is used for preparation of the internal audit plan was developed this year. The CAP is a matrix of audit areas indicating coverage by external assurance providers. The internal audit plan approved for 2013 included reviews covering, in various entities, compliance with the Marine Living Resources Act, combined assurance, the bonus incentive and phantom share option scheme, raw fish procurement, human resources processes, wages, rebates, customs and excise, reconciliations and journals, revenue and receivables, inventory and production, the disaster recovery process and review of the risk management process.

IS GOVERNANCE

Oceana's information systems (IS) are governed by a collection of documented policies and procedures. The IS charter, approved by the board, sets the overall purpose of the function, its management and security. Strategic planning for IS has a three-year time horizon. The IS department presents an annual governance report to the audit committee, covering, inter alia, policy, strategy, disaster recovery plans, security management and technical architecture.

INTERNAL CONTROLS

Oceana maintains internal controls and systems designed to provide reasonable assurance as to the integrity and reliability of accounting records and the financial statements and to adequately safeguard, verify and maintain accountability for its assets. The committee reviews the effectiveness of the procedures, policies and system of internal control adopted by group companies with reference to the findings of the external and internal auditors. In particular, the committee receives an opinion from the internal auditors on the design, implementation and effectiveness of the company's system of internal financial controls. Based on the overall ratings assigned, and in accordance with the assessment approach followed in terms of Oceana's rating framework, the group's system of internal control is assessed to be effective.

RISK MANAGEMENT

The committee has oversight of fraud and information technology risks. The committee fulfils an oversight role regarding financial reporting risks, internal financial controls, fraud risk as it relates to financial reporting and information technology risks as they relate to financial reporting.

COMPLIANCE AND ETHICS

An ethics report was provided to the committee during the year under review. The report dealt with principles and issues of a compliance and ethical nature in the group's business. There were no matters of concern arising from the report.

The provisions of the King III code, as they pertain to audit committees, were adhered to. The committee has considered the expertise and experience of the group financial director in terms of the Listings Requirements of the JSE Limited and concluded that the financial director's expertise and experience meet the appropriate requirements. The committee is satisfied that the expertise, resources and experience of the company's finance function is satisfactory.

Nothing has come to the attention of the directors, or to the attention of the external or internal auditors, to indicate that any material breakdown in the functioning of the group's key internal controls and systems has occurred during the year under review.

REVIEW OF INTEGRATED REPORT AND ANNUAL FINANCIAL STATEMENTS

The committee considers the significant estimates, accounting policies and practices used in the preparation of the financial statements to be appropriate. It reviewed the integrated report and annual financial statements for the year ended 30 September 2013 and recommended them to the board for approval.

STATUTORY DUTIES

The committee has complied with its statutory obligations and discharged its duties in accordance with its mandate and charter.

The committee has performed the following specific statutory duties:

- considered and nominated the external auditors for appointment at the AGM;
- determined the fees to be paid to the auditors and the auditors' terms of engagement;
- determined the nature and extent of non-audit services;
- pre-approved any proposed agreement with the auditors for the provision of non-audit services;
- prepared this report, which is included in the annual financial statements;
- received and dealt appropriately with concerns and complaints as required;
- made submissions to the board on matters concerning the company's accounting policies, financial controls, records and reporting; and
- performed oversight functions as determined by the board.

CONCLUSION

In signing this report on behalf of the audit committee, I would like to thank my fellow committee members, the external and internal auditors and management for their contributions to the committee during the year.

S Pather
Audit committee chairman

ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these group and company annual financial statements (AFS) are set out below and are consistent in all material respects with those applied during the previous year.

1. BASIS OF PREPARATION

The group and company AFS are prepared in accordance with the going concern and historical cost bases except where stated otherwise. The presentation and functional currency of the group and company financial statements is South African rand and all amounts are rounded to the nearest thousand, except when otherwise indicated.

2. STATEMENT OF COMPLIANCE

The group and company AFS have been prepared in compliance with International Financial Reporting Standards (IFRS).

3. BASIS OF CONSOLIDATION

The group AFS comprise the AFS of the company and its subsidiaries (including the employee share trusts).

The results of subsidiaries are consolidated from the date control is acquired and cease to be consolidated on the date control ceases. Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. When there is a disposal or loss of control of a subsidiary, the group AFS include the results for the part of the reporting period during which the group had control. Any difference between the net proceeds on disposal and the carrying amount of the subsidiary is recognised in the statement of comprehensive income.

Non-controlling interest at acquisition date is determined as the non-controlling shareholders' proportionate share of the fair value of the net assets of the subsidiary acquired.

The company carries its investments in subsidiaries at cost, less any accumulated impairment losses. The financial statements of subsidiaries are prepared for the same reporting period as the parent company. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those of the group.

Intra-group balances, transactions, income and expenses are eliminated in full.

The group applies the acquisition method to account for business combinations. The consideration transferred in a business combination is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability are recognised in profit or loss. Acquisition-related costs are generally expensed as incurred.

4. INTERESTS IN JOINT VENTURES

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. The group recognises its interest in joint ventures using proportionate consolidation. The group combines its share of each of the assets, liabilities, income and expenses of the joint venture with the similar items, line by line, in its group AFS.

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. The financial statements of the joint venture are prepared for the same reporting period as the parent company. Where necessary, adjustments are made to the financial statements of joint ventures to bring the accounting policies used in line with those of the group.

A joint venture is proportionately consolidated from the date joint control is acquired until the date on which the group ceases to have joint control.

The company carries its investments in joint ventures at cost, less any accumulated impairment losses.

5. FOREIGN CURRENCY TRANSLATION

The financial results of an entity are accounted for in its functional currency.

Translation of foreign currency transactions

Initial recognition

Transactions in foreign currencies are translated into the functional currency at exchange rates prevailing at the date of the transaction.

Subsequent measurement

Monetary assets and liabilities are translated at exchange rates prevailing at the reporting date. Non-monetary items carried at cost are translated using the exchange rate at the date of the transaction, whilst assets carried at fair value are translated at the exchange rate when the fair value was determined.

Exchange differences on monetary items are recognised in the statement of comprehensive income when they arise.

Translation of foreign operations

On consolidation, the financial statements of foreign operations are translated into the group's presentation currency. Assets and liabilities are translated at the closing rate on the reporting date. Income, expenses and capital transactions (such as dividends) are translated at average exchange rates or at the prevailing rates on the transaction dates, if more appropriate. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are translated at the closing rate on the reporting date.

Exchange differences arising on translation are recognised in the statement of changes in equity in the foreign currency translation reserve (FCTR). On disposal of part or all of the investment, the proportionate share of the related cumulative gain or loss previously recognised in the FCTR is included in determining the profit or loss on disposal of that investment and recognised in the statement of comprehensive income.

6. REVENUE

Revenue comprises the selling value of goods delivered and services rendered during the year, excluding value added tax, after deducting normal discounts and rebates. In the determination of revenue, transactions within the group are excluded.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership have transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably.

Services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

Interest received

Interest received is recognised on a time basis using the effective interest rate implicit in the instrument.

Dividend income

Dividend income is recognised when the group's right to receive the payment is established.

7. EMPLOYEE BENEFITS

Short-term employee benefits

Remuneration of employees is recognised in the statement of comprehensive income as the services are rendered, except for non-accumulating benefits which are only recognised when the specific event occurs. Provision is made for accumulated leave on the cost-to-company basis.

Defined-contribution plans

The group contributions to the defined-contribution funds are determined in terms of the rules governing those funds. Contributions are recognised in the statement of comprehensive income in the period in which the service is rendered by the relevant employees.

Defined-benefit plans

The group has an obligation to provide certain post-retirement benefits to its eligible employees and pensioners. The defined-benefit liability is the aggregate of the present value of the defined-benefit obligation and unrecognised actuarial gains and losses, reduced by unrecognised past-service costs and the fair value of plan assets. The defined-benefit obligation is calculated using the Projected Unit Credit Method, incorporating actuarial assumptions.

Actuarial gains and losses are spread over the average remaining service lives of employees. To the extent that there is uncertainty as to the entitlement to any surplus, no asset is recognised.

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 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. Independent actuaries carry out annual valuations of these obligations.

8. SHARE-BASED PAYMENTS

Equity-settled compensation benefits

Certain employees, including executive directors of the group, receive remuneration in the form of equity-settled share-based payments, whereby they render services in exchange for rights to the company's listed shares.

Qualifying black employees receive empowerment benefits in the form of equity-settled share-based payments through their participation in the Oceana Empowerment Trust.

The cost of equity-settled share-based payments is measured by reference to the fair value at the date on which they are granted. The fair value is determined using the Black-Scholes model, further details of which are given in the note on share-based payment plans.

The cost of equity-settled share-based payments is recognised, together with a corresponding increase in equity in the share-based payment reserve, over the vesting period. The cumulative expense recognised for share options granted at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit recognised in the statement of comprehensive income for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest.

The effect of outstanding options is reflected in the computation of diluted earnings per share in the note on earnings per share.

Cash-settled transactions

The cost of cash-settled transactions is measured initially at fair value at the grant date using the Black-Scholes model. This model takes into account the terms and conditions upon which the instruments were granted. This fair value is expensed over the period until vesting with recognition of a corresponding liability. The number of options that are expected to vest are revised at each reporting date and the liability is remeasured up to and including the settlement date with changes in fair value recognised in the statement of comprehensive income.

9. LEASES

Leases are classified as operating leases, where substantially all the risks and rewards associated with ownership of the asset are not transferred from the lessor to the lessee.

Operating lease rentals are recognised in the statement of comprehensive income on the straight-line basis over the lease term. The resulting difference arising from the straight-line basis and contractual cash flows is recognised as an operating lease obligation or asset.

Contingent rental income and expenses are recognised when incurred.

10. RESEARCH AND DEVELOPMENT COSTS

Expenditure on research and development is recognised in the statement of comprehensive income in the year in which it is incurred.

11. INTEREST PAID

Interest paid is accrued and recognised in the statement of comprehensive income at the effective interest rate relating to the relevant financial liability, in the period in which it is incurred.

12. TAXATION

The income tax expense consists of current tax, deferred tax, secondary tax on companies and foreign withholding taxes.

Current taxation

The current tax charge is the expected tax payable on the taxable income for the period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred taxation

The provision for deferred tax assets and liabilities reflects the tax consequences that would follow from the expected manner of recovery of the carrying amount of the group's assets and liabilities.

Deferred taxation is provided for all temporary differences at the reporting date between the carrying amounts for financial reporting purposes and the tax bases of assets and liabilities.

Deferred tax assets are recognised to the extent that it is probable that the related tax benefit will be realised in the foreseeable future against future taxable profit. The carrying value of a deferred tax asset is reviewed at each reporting date. If it is no longer probable that sufficient taxable profit will be available to allow the benefit of part, or all, of the asset to be utilised, the carrying value of the deferred tax asset is reduced.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are off-set if the group has a legally enforceable right to set off current assets against current liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Secondary tax on companies (STC)

STC is recognised as part of the current tax charge in the statement of comprehensive income when the related dividend has been declared. STC was replaced by dividend withholding tax with effect from 1 April 2012.

Foreign withholding taxes

Foreign withholding taxes are recognised as part of the current tax charge in the statement of comprehensive income when the related dividend receivable has been declared and when directors' fees are receivable.

13. DIVIDENDS

Dividends payable and the related taxation thereon are recognised as liabilities in the period in which the dividends are declared.

14. PROPERTY, PLANT AND EQUIPMENT

Initial recognition

Property, plant and equipment are initially recognised at cost, being the cash price equivalent at the recognition date. The cost of an asset comprises any costs incurred in bringing the asset to the location and condition necessary for it to operate as intended by management.

Freehold land and buildings

Immovable property owned by the group is classified as owner-occupied property and shown at cost less accumulated depreciation and impairment. Land is shown at cost less impairment and is not depreciated.

Leasehold land and buildings

Improvements to leasehold property are capitalised and depreciated to expected residual value over the remaining period of the lease.

Plant, equipment, motor vehicles and fishing vessels and nets

Plant, equipment, motor vehicles and fishing vessels and nets are carried at cost less accumulated depreciation and impairment. When plant and equipment comprise major components with different useful lives, these components are depreciated as separate items. In the case of fishing vessel refits, these costs are depreciated over the period between each vessel refit.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance expenditures are charged to the statement of comprehensive income during the financial period in which they are incurred. Expenditure incurred to replace or modify a significant component of plant or equipment is capitalised if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be reliably measured. Any remaining book value of the component replaced is written off in the statement of comprehensive income.

Depreciation

Items of property, plant and equipment are depreciated to their estimated residual values on the straight-line basis over their expected useful lives. The depreciation methods, estimated remaining useful lives and residual values are reviewed at each reporting date. A change resulting from the review is treated as a change in accounting estimate which is accounted for on a prospective basis.

Depreciation commences when an asset is available for use and ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognised.

Depreciation ceases temporarily when the residual value exceeds the carrying value. The following ranges of depreciation rates apply on initial recognition:

	% per annum
Buildings – freehold	5
Buildings – leasehold	5 – 10
Plant and equipment	10 – 20
Motor vehicles	20 – 25
Office equipment	10 – 50
Fishing vessels and nets	10 – 33

Derecognition
An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected through its continued use or disposal. Gains or losses which arise on derecognition are included in the statement of comprehensive income in the period of derecognition. The gain or loss is calculated as the difference between the net disposal proceeds and the carrying amount of the item at the date of disposal.

Impairment
The carrying value of the group's property, plant and equipment is reviewed at each reporting date or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. A previously recognised impairment loss is reversed only if there has been a change in the estimated recoverable amount of the asset. That recoverable amount cannot exceed the carrying amount that would have been determined, net of amortisation, had no impairment loss been recognised for the asset in prior periods.

15. GOODWILL

Goodwill is classified as an intangible asset with an indefinite useful life.

Initial recognition and measurement
Goodwill is initially measured at cost being the excess of the cost of the business combination over the group's attributable share of the fair value of the net identifiable assets at the date of acquisition. If the group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in the statement of comprehensive income.

Subsequent measurement
Goodwill is reflected at cost less any accumulated impairment losses.

If the initial accounting for business combinations has been determined provisionally, then adjustments to these values resulting from the emergence of new information within 12 months after the acquisition date are made against goodwill. In addition, goodwill is adjusted for changes in the estimated value of contingent considerations given in the business combination when they arise.

Impairment
Goodwill is not amortised but is tested for impairment on an annual basis, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Impairment is determined by assessing the recoverable amount, which is the higher of fair value less costs to sell and value in use, of the cash-generating unit to which the goodwill relates. The value in use is calculated as the present value of the future cash flows expected to be derived from an asset or cash-generating unit. The impairment loss is applied firstly to the carrying amount of goodwill, thereafter any remaining impairment is allocated to the other assets of the unit. Impairment losses on goodwill are not reversed.

Derecognition
Goodwill associated with an operation which is disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal.

16. INTANGIBLE ASSETS

Intangible assets consist of trademarks and fishing rights.

Initial recognition and measurement
Intangible assets acquired separately are initially measured at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition.

Subsequent measurement
Trademarks and fishing rights which have finite useful lives are amortised over their expected useful lives. Those with indefinite useful lives are not amortised. The useful lives of the intangible assets are reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Impairment
Trademarks and fishing rights are tested for impairment on an annual basis, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Impairment is determined by assessing the recoverable amount of the trademarks and fishing rights, which is the higher of fair value less costs to sell and value in use. The value in use is calculated as the present value of the future cash flows expected to be derived from the trademarks and fishing rights.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised.

Derecognition
Intangible assets are derecognised on disposal or when no future economic benefits are expected from their continued use. The gain or loss is calculated as the difference between the net disposal proceeds and the carrying amount of the item at the date of its disposal.

17. FINANCIAL INSTRUMENTS

Financial assets

Financial assets recognised in the statement of financial position include investments and loans, cash and cash equivalents and trade and other receivables.

Investments in preference shares consist of preference shares held in Oceana SPV Proprietary Limited which are held at cost plus preference dividends accrued, but not yet declared, less repayments received. Other investments consist of unlisted equities. They are recorded at original cost, subject to an annual impairment review.

Loans are stated at their amortised costs, reduced by provisions for estimated irrecoverable amounts.

Cash and cash equivalents consisting of cash on hand, short-term deposits held with banks and preference shares administered by banks and insurers, all of which are available for use by the group, are measured at fair value. For purposes of the statement of cash flows, cash and cash equivalents are stated net of bank overdrafts.

Accounts receivable are recorded at originated cost less allowance for credit notes to be issued. Provisions for irrecoverable amounts are recognised in the statement of comprehensive income when there is objective evidence that the asset is impaired. Amounts considered irrecoverable are written off against the provision, and recovery of amounts subsequently written off are recognised in the statement of comprehensive income.

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

Financial assets are derecognised when substantially all the risks and rewards of ownership are transferred to another entity.

Impairment

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that they are impaired.

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Issued share capital and premium is recorded at the amount of the proceeds received.

Financial liabilities

Financial liabilities are initially recorded at cost and subsequently measured at amortised cost.

Financial liabilities are derecognised when the obligations are discharged, cancelled or they expire.

Derivative financial instruments

Derivative financial instruments are initially recorded at cost and are remeasured to fair value at subsequent reporting dates. Gains or losses arising from a change in fair value of financial instruments that are not part of a hedging relationship are recognised in the statement of comprehensive income in the period in which the change arises.

When a derivative instrument is designated as a cash flow hedge of an asset, liability or expected future transaction, the effective part of any gain or loss arising in the derivative instrument is classified as a hedging reserve in the statement of changes in equity until the underlying transaction occurs. The ineffective part of any gain or loss is immediately recognised in the statement of comprehensive income. If the expected future transaction results in the recognition of an asset or liability, the associated gain or loss is transferred from the hedging reserve to the underlying asset or liability.

18. INVENTORIES

Inventories are stated at the lower of cost and net realisable value using the specific cost to value goods purchased for resale whilst the first-in first-out and weighted average methods are used to value finished goods and consumable stores.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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

19. NON-CURRENT ASSETS HELD FOR SALE

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. The asset must be available for immediate sale in its present condition within one year from the date of classification. Non-current assets held for sale are measured at the lower of the assets' previous carrying amount and fair value less costs to sell. Gains and losses arising upon remeasurement are recognised in the statement of comprehensive income.

20. TREASURY SHARES

Own equity instruments which are reacquired (treasury shares) are deducted from equity. No gain or loss is recognised in the statement of comprehensive income on the purchase, sale, issue or cancellation of the group's own equity instruments.

21. 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 resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

22. EVENTS AFTER REPORTING DATE

The financial statements are adjusted to reflect the effect of events that occurred between the reporting date and the date when the financial statements are authorised for issue, provided they give evidence of conditions that existed at the reporting date. Events that are indicative of conditions that arose after the reporting date are disclosed, but do not result in an adjustment of the financial statements themselves.

23. USE OF ESTIMATES AND JUDGEMENTS IN THE PREPARATION OF ANNUAL FINANCIAL STATEMENTS

In the preparation of the AFS, management is required to make estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and the application of judgement are inherent in the formation of estimates. Actual results in the future could differ from these estimates, which may be material to the financial statements within the next financial period. Judgements made by management that could have a significant effect on the amounts recognised in the financial statements include:

- useful lives and residual values used to calculate depreciation of property, plant and equipment;
- future cash flows of cash-generating units used to test for impairment of goodwill and the trademark;
- recoverability of loans and accounts receivable;
- assumptions used in the Black-Scholes model to value share-based payments;
- amounts provided in respect of supplier and other claims and ex gratia retirement payments in respect of employees previously excluded from membership of retirement funds; and
- revenue from the sale of goods which is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity. Due to economic uncertainties in certain geographic regions, this can only be determined using a measure of judgement. Management estimate the portion of revenue for which it is uncertain that the economic benefits related to the transaction will flow to the entity. This revenue is not recognised until the amounts associated with the transaction have been collected.

Further information is provided in the relevant notes to the financial statements.

ADOPTION OF NEW AND REVISED STANDARDS, INTERPRETATIONS AND CIRCULARS

Accounting Standards, Interpretations and Circulars issued but not yet effective

At the date of approval of these financial statements, the following relevant new or revised standards were in issue, but not yet effective:

Standards applicable to Oceana for the year ending September 2014:

- IFRS 7 Financial Instruments: Disclosures
- IFRS 10 Consolidated Financial Statements
- IFRS 11 Joint Arrangements
- IFRS 12 Disclosure of Interests in Other Entities
- IFRS 13 Fair Value Measurement
- IAS 1 Presentation of Financial Statements
- IAS 16 Property, Plant and Equipment
- IAS 19 Employee Benefits
- IAS 27 Separate Financial Statements
- IAS 28 Investments in Associates and Joint Ventures
- IAS 32 Financial Instruments: Presentation
- IAS 34 Interim Financial Reporting

Standards and Interpretation applicable to Oceana for the year ending September 2015:

- IAS 32 Financial Instruments: Presentation
- IAS 36 Impairment of Assets
- IFRIC 21 Levies

Standard applicable to Oceana for the year ending September 2016:

- IFRS 9 Financial Instruments

The adoption of IFRS 11, with effect from the year ending September 2014, will result in joint ventures being accounted for on the equity basis as opposed to the proportionate consolidation basis. The group is in the process of evaluating the effects of the remaining standards and interpretation, and while they are not expected to have a significant impact on the group's results, additional disclosures may be required.

The group has decided not to early adopt any of these new or revised standards.

Adoption of new and revised standards and circulars

During the year the group adopted the following revised standard and circular:

- IAS 1 Presentation of Financial Statements: Presentation of Other Comprehensive Income
- Circular 2/2013 Headline Earnings.

The adoption of this revised standard and circular has not resulted in any restatement of comparative information.

STATEMENTS OF COMPREHENSIVE INCOME

for the year ended 30 September 2013

	Notes	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
Revenue	1	4 997 354	4 647 951	157 544	117 797
Cost of sales		3 049 222	2 875 765		
Gross profit		1 948 132	1 772 186	157 544	117 797
Sales and distribution expenditure		491 756	428 870		
Marketing expenditure		63 503	51 323		
Overhead expenditure		644 194	580 968	148 034	111 003
Operating profit before abnormal items	2	748 679	711 025	9 510	6 794
Abnormal items	4		(47 955)	(635)	(10 230)
Operating profit/(loss)		748 679	663 070	8 875	(3 436)
Investment income	5	16 330	36 279	242 285	319 461
Interest paid	6	(10 282)	(3 108)	(12 623)	(5 560)
Profit before taxation		754 727	696 241	238 537	310 465
Taxation	7	230 337	232 315	3 071	8 152
Profit after taxation		524 390	463 926	235 466	302 313
Other comprehensive income					
Items that may be re-classified subsequently to profit or loss					
Movement on foreign currency translation reserve		6 228	1 826		
Movement on cash flow hedging reserve		8 788	(1 522)		
Other comprehensive income, net of taxation		15 016	304		
Total comprehensive income for the year		539 406	464 230		
Profit after taxation attributable to:					
Shareholders of Oceana Group Limited		491 016	443 790		
Non-controlling interests		33 374	20 136		
		524 390	463 926		
Total comprehensive income attributable to:					
Shareholders of Oceana Group Limited		506 032	444 094		
Non-controlling interests		33 374	20 136		
		539 406	464 230		
Earnings per share (cents)	8				
– Basic		489,5	443,3		
– Diluted		444,8	408,4		
Dividends per share (cents)	9	322,0	301,0		
– Interim paid		100,0	45,0		
– Final declared after reporting date		222,0	256,0		

STATEMENTS OF FINANCIAL POSITION
at 30 September 2013

	Notes	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
ASSETS					
Non-current assets		**725 407**	690 615	**171 474**	192 528
Property, plant and equipment	10	**473 821**	435 850	**10 722**	6 156
Goodwill	11	**10 000**	10 000		
Trademark	11	**8 873**	6 229		
Fishing rights	11	**83 929**	72 409		
Deferred taxation	12	**30 360**	23 187	**19 357**	11 511
Investments and loans	13	**118 424**	142 940	**100 611**	130 975
Oceana Group Share Trust	14			**2 820**	5 264
Oceana Empowerment Trust	15			**2 603**	3 261
Interest in subsidiaries and joint ventures	16			**35 361**	35 361
Current assets		**2 169 999**	1 878 113	**822 060**	626 195
Inventories	17	**1 277 781**	777 979		
Accounts receivable	18	**751 327**	819 164	**5 674**	7 990
Taxation		**14 456**	4 792	**268**	
Amounts owing by subsidiaries and joint ventures	16			**798 798**	438 396
Non-current assets held for sale	10	**2 618**			
Cash and cash equivalents		**123 817**	276 178	**17 320**	179 809
Total assets		**2 895 406**	2 568 728	**993 534**	818 723
EQUITY AND LIABILITIES					
Capital and reserves		**1 789 375**	1 633 242	**531 458**	719 753
Share capital and premium	19	**33 770**	30 692	**156 042**	154 677
Foreign currency translation reserve		**5 507**	(721)		
Capital redemption reserve		**130**	130		
Cash flow hedging reserve	20	**9 188**	400		
Share-based payment reserve		**59 337**	57 144	**6 599**	6 536
Distributable reserve		**1 620 682**	1 496 895	**368 817**	558 540
Interest of own shareholders		**1 728 614**	1 584 540	**531 458**	719 753
Non-controlling interests		**60 761**	48 702		
Non-current liabilities		**183 688**	139 270	**59 045**	37 623
Liability for share-based payments	25.3	**143 891**	97 427	**59 045**	37 623
Deferred taxation	12	**39 797**	41 843		
Current liabilities		**922 343**	796 216	**403 031**	61 347
Accounts payable	21	**597 088**	648 675	**44 563**	33 116
Amounts owing to subsidiaries and joint ventures	16			**101 468**	27 864
Provisions	22	**10 237**	10 767		
Taxation		**21 225**	92 200		367
Bank overdrafts		**293 793**	44 574	**257 000**	
Total equity and liabilities		**2 895 406**	2 568 728	**993 534**	818 723

STATEMENTS OF CHANGES IN EQUITY

for the year ended 30 September 2013

	Notes	Share capital and premium R'000	Foreign currency translation reserve R'000	Capital redemption reserve R'000	Cash flow hedging reserve R'000	Share-based payment reserve R'000	Distributable reserve R'000	Interest of own shareholders R'000	Non-controlling interests R'000	Total R'000
GROUP										
Balance at 1 October 2011		26 293	(2 547)	130	1 922	49 599	1 283 031	1 358 428	40 923	1 399 351
Total comprehensive income for the year			1 826		(1 522)		443 790	444 094	20 136	464 230
Movement on foreign currency translation reserve			1 826					1 826		1 826
Movement on cash flow hedging reserve	20				(1 522)			(1 522)		(1 522)
Profit after taxation							443 790	443 790	20 136	463 926
Share options exercised		3 524						3 524		3 524
Decrease in treasury shares held by share trusts		875						875		875
Recognition of share-based payments	25					7 545		7 545	69	7 614
Loss on sale of treasury shares							(130)	(130)		(130)
Oceana Empowerment Trust dividend distribution							(1 608)	(1 608)		(1 608)
Dividends	9						(228 188)	(228 188)	(12 426)	(240 614)
Balance at 30 September 2012		30 692	(721)	130	400	57 144	1 496 895	1 584 540	48 702	1 633 242
Total comprehensive income for the year			**6 228**		**8 788**		**491 016**	**506 032**	**33 374**	**539 406**
Movement on foreign currency translation reserve			**6 228**					**6 228**		**6 228**
Movement on cash flow hedging reserve	20				**8 788**			**8 788**		**8 788**
Profit after taxation							**491 016**	**491 016**	**33 374**	**524 390**
Share options exercised		**1 365**						**1 365**		**1 365**
Decrease in treasury shares held by share trusts		**1 713**						**1 713**		**1 713**
Recognition of share-based payments	25					**2 193**		**2 193**	**18**	**2 211**
Loss on sale of treasury shares							**(470)**	**(470)**		**(470)**
Acquisition of additional shares in subsidiary							**(7 076)**	**(7 076)**	**(82)**	**(7 158)**
Oceana Empowerment Trust dividend distribution							**(2 711)**	**(2 711)**		**(2 711)**
Dividends	9						**(356 972)**	**(356 972)**	**(21 251)**	**(378 223)**
Balance at 30 September 2013		**33 770**	**5 507**	**130**	**9 188**	**59 337**	**1 620 682**	**1 728 614**	**60 761**	**1 789 375**
COMPANY										
Balance at 1 October 2011		151 153				6 395	528 282	685 830		685 830
Total comprehensive income for the year							302 313	302 313		302 313
Share options exercised		3 524						3 524		3 524
Recognition of share-based payments	25					141		141		141
Dividends	9						(272 055)	(272 055)		(272 055)
Balance at 30 September 2012		154 677				6 536	558 540	719 753		719 753
Total comprehensive income for the year							235 466	235 466		235 466
Share options exercised		1 365						1 365		1 365
Recognition of share-based payments	25					63		63		63
Dividends	9						(425 189)	(425 189)		(425 189)
Balance at 30 September 2013		156 042				6 599	368 817	531 458		531 458

STATEMENTS OF CASH FLOWS

for the year ended 30 September 2013

	Notes	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
Cash flow from operating activities					
Operating profit before abnormal items		748 679	711 025	9 510	6 794
Adjustment for non-cash and other items		149 943	102 832	22 296	23 171
Depreciation, amortisation and impairment		103 619	87 428	4 210	3 323
Share-based payment expense		154 587	83 197	64 592	29 071
Cash-settled share-based payment		(105 912)	(31 850)	(46 506)	(9 205)
Net loss/(surplus) on disposal of property, plant and equipment		67	(1 193)		(18)
Surplus on disposal of fishing right		(2 418)			
Abnormal items			(34 750)		
Cash operating profit before working capital changes		898 622	813 857	31 806	29 965
Working capital changes	A	(473 865)	(357 295)	13 485	18 465
Cash generated from operations		424 757	456 562	45 291	48 430
Investment income received		7 317	25 312	233 272	308 494
Interest paid		(10 282)	(3 108)	(12 623)	(5 560)
Taxation paid	B	(320 209)	(242 588)	(10 522)	(13 273)
Dividends paid	C	(380 934)	(242 222)	(425 189)	(272 055)
Net cash (outflow)/inflow from operating activities		(279 351)	(6 044)	(169 771)	66 036
Cash (outflow) from investing activities		(135 719)	(153 331)	(324 687)	(195 795)
Replacement capital expenditure		(109 726)	(67 661)	(8 776)	(4 686)
Expansion capital expenditure		(23 182)	(2 085)		
Proceeds on disposal of property, plant and equipment		3 800	1 536		35
Proceeds on disposal of fishing right		2 418			
Acquisition of businesses	D	(10 450)	(105 296)		
Acquisition of fishing rights		(26 695)	(1 296)		
Repayment received on preference shares		39 377	11 949	39 377	11 949
Net movement on loans and advances		(5 848)	9 718	2 467	704
Acquisition of additional shares in subsidiary	E	(7 158)			
Loss of control over subsidiary	F	3 490			
Acquisition of joint venture	G	(1 745)			
Acquisition of investment			(196)		(196)
Movement on amounts owing by subsidiaries and joint ventures				(357 755)	(203 601)
Cash inflow from financing activities		11 797	7 987	74 969	4 263
Proceeds from issue of share capital		2 608	4 270	1 365	3 524
Short-term borrowings raised		9 189	3 717		
Movement on amounts owing to subsidiaries and joint ventures				73 604	739
Net decrease in cash and cash equivalents		(403 273)	(151 388)	(419 489)	(125 496)
Net cash and cash equivalents at the beginning of the year		231 604	384 544	179 809	305 305
Effect of exchange rate changes		1 693	(1 552)		
Net cash and cash equivalents at the end of the year	H	(169 976)	231 604	(239 680)	179 809

NOTES TO THE STATEMENTS OF CASH FLOWS

for the year ended 30 September 2013

		GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
A.	**WORKING CAPITAL CHANGES**				
	Inventories	**(498 911)**	(287 755)		
	Accounts receivable	**71 858**	(283 493)	2 316	(274)
	Accounts payable and provisions	**(55 600)**	215 475	11 169	18 739
	Increase/(decrease) in cash flow hedging reserve	**8 788**	(1 522)		
	Total working capital changes	**(473 865)**	(357 295)	13 485	18 465
B.	**TAXATION PAID**				
	Net amount (unpaid)/overpaid at the beginning of the year	**(87 408)**	(87 872)	(367)	576
	Charged to profit or loss (note 7)	**(239 556)**	(242 124)	(9 887)	(14 216)
	Exchange rate difference	**(14)**			
	Net amount unpaid/(overpaid) at the end of the year	**6 769**	87 408	(268)	367
	Cash amounts paid	**(320 209)**	(242 588)	(10 522)	(13 273)
C.	**DIVIDENDS PAID**				
	Oceana Empowerment Trust dividend distribution	**(2 711)**	(1 608)		
	Dividends	**(356 972)**	(228 188)	(425 189)	(272 055)
	Dividends paid to non-controlling interests	**(21 251)**	(12 426)		
	Cash amounts paid	**(380 934)**	(242 222)	(425 189)	(272 055)
D.	**ACQUISITION OF BUSINESSES**				
	Property, plant and equipment		(37 400)		
	Goodwill		(10 000)		
	Fishing rights		(68 860)		
	Contingent purchase consideration	**(10 450)**	10 450		
	Accounts payable and provisions		514		
	Cash movement on acquisition of businesses	**(10 450)**	(105 296)		
E.	**ACQUISITION OF ADDITIONAL SHARES IN SUBSIDIARY**				
	In January 2013 the group acquired an additional effective 10% of Erongo Sea Products (Pty) Ltd from a non-controlling shareholder. The group now owns 58% of Erongo Sea Products.				
	Cash consideration transferred	**7 158**			
	Less: value of non-controlling interest acquired	**(82)**			
	Excess paid	**7 076**			
	The excess paid has been taken directly to equity as required by IAS 27 Consolidated and Separate Financial Statements.				
F.	**LOSS OF CONTROL OVER SUBSIDIARY**				
	Property, plant and equipment	**12**			
	Inventories	**802**			
	Accounts receivable	**22 850**			
	Accounts payable and provisions	**(20 174)**			
	Bank overdrafts	**(3 490)**			
	Proceeds received on loss of control over subsidiary				
	Add: bank overdrafts disposed	**3 490**			
	Net cash inflow on loss of control over subsidiary	**3 490**			
G.	**ACQUISITION OF JOINT VENTURE**				
	Property, plant and equipment	**(6)**			
	Inventories	**(401)**			
	Accounts receivable	**(11 425)**			
	Accounts payable and provisions	**10 087**			
	Bank overdrafts	**1 745**			
	Proceeds paid on acquisition of joint venture				
	Less: bank overdrafts acquired	**(1 745)**			
	Net cash outflow on acquisition of joint venture	**(1 745)**			
H.	**NET CASH AND CASH EQUIVALENTS**				
	Cash and cash equivalents	**123 817**	276 178	17 320	179 809
	Bank overdrafts	**(293 793)**	(44 574)	(257 000)	
		(169 976)	231 604	(239 680)	179 809

Explanatory notes to D. Acquisition of businesses

On 18 September 2012, the group acquired certain hake and horse mackerel fishing rights and related assets, as well as the cold storage business from the Lusitania group and associated companies. The initial accounting for the acquisition, which was only provisionally determined as at 30 September 2012, has now been finalised. No adjustments were effected to the provisional values.

Explanatory notes to F and G. Change of control of subsidiary to joint venture

With effect from 31 January 2013, the group's interest in Oceana International Limited reduced from 100% to 50% through the issue of new shares to an outside party. Oceana International Limited has been proportionately consolidated since the change in shareholding.

	GROUP		COMPANY	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
1. REVENUE				
The main categories of revenue are set out below:				
Sale of goods				
Canned fish and fishmeal	2 657 106	2 582 636		
Horse mackerel and hake	1 639 556	1 435 082		
Lobster, squid and French fries	374 372	350 443		
Rendering of services				
Commercial cold storage	326 320	279 790		
Management fees from subsidiaries and joint ventures			157 544	117 797
	4 997 354	4 647 951	157 544	117 797
2. OPERATING PROFIT BEFORE ABNORMAL ITEMS				
Operating profit before abnormal items is arrived at after taking into account the following items:				
Income				
Directors' fees from a joint venture			54	44
Foreign exchange gain	43 430	18 395	1 395	8
Net surplus on disposal of property, plant and equipment		1 193		18
Surplus on disposal of fishing right	2 418			
Expenditure				
Auditor's remuneration				
Fees for audit – current year	5 331	4 732	896	839
Fees for audit – prior year underprovision	47	54	2	8
Expenses	34	18	8	
Other services	1 759	2 097	730	585
	7 171	6 901	1 636	1 432
Depreciation of property, plant and equipment				
Buildings	5 983	6 100		
Plant, equipment and motor vehicles	48 711	47 710	4 210	3 323
Fishing vessels and nets	33 750	32 529		
	88 444	86 339	4 210	3 323
Amortisation of fishing rights	15 175	853		
Administrative, technical and secretarial fees	18 375	15 765	3 921	3 478
Operating lease expenses				
Properties	45 171	33 335	2 874	2 426
Equipment and vehicles	8 581	6 280		
Employment costs	576 753	547 373	46 304	48 106
Net loss on disposal of property, plant and equipment	67			
Retirement costs	36 487	31 711	4 675	3 709
Share-based payments – cash-settled compensation scheme	152 376	75 583	64 529	28 930
Share-based payments – Oceana Empowerment Trust	2 211	7 614	63	141

	GROUP 2013 R'000	GROUP 2012 R'000
3. SEGMENTAL RESULTS		
Revenue		
Canned fish and fishmeal	2 657 106	2 582 636
Horse mackerel and hake	1 639 556	1 435 082
Lobster, squid and French fries	374 372	350 443
Commercial cold storage	326 320	279 790
Total	4 997 354	4 647 951
Operating profit before abnormal items		
Canned fish and fishmeal	219 646	318 941
Horse mackerel and hake	422 906	296 578
Lobster, squid and French fries	23 329	29 538
Commercial cold storage	82 798	65 968
Total	748 679	711 025
Total assets		
Canned fish and fishmeal	1 773 289	1 362 685
Horse mackerel and hake	509 979	427 057
Lobster, squid and French fries	103 930	95 680
Commercial cold storage	235 608	241 002
Financing	242 240	419 117
	2 865 046	2 545 541
Deferred taxation	30 360	23 187
Total	2 895 406	2 568 728
Total liabilities		
Canned fish and fishmeal	467 077	515 752
Horse mackerel and hake	177 684	220 055
Lobster, squid and French fries	43 364	44 808
Commercial cold storage	67 129	60 456
Financing	310 980	52 572
	1 066 234	893 643
Deferred taxation	39 797	41 843
Total	1 106 031	935 486
Revenue per region[1]		
South Africa and Namibia	3 440 483	3 097 288
Other Africa	981 368	880 734
Europe	329 242	381 716
Far East	211 687	251 807
Other	34 574	36 406
	4 997 354	4 647 951

No geographical segment report is presented as operations are predominantly in South Africa and Namibia.

Revenue excludes the following inter-segmental revenues in South Africa and Namibia which are eliminated on consolidation: Canned fish and fishmeal R5,4 million (2012: R0,3 million), horse mackerel and hake R29,1 million (2012: R27,3 million) and commercial cold storage R30,4 million (2012: R30,5 million).

Note:

[1] *Revenue per region discloses the region in which product is sold.*

	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
4. ABNORMAL ITEMS				
Competition Commission administrative penalty		34 750		
Trademark impairment		13 205		
Impairment of investment in subsidiary				9 933
Impairment of investment in Oceana Empowerment Trust			635	297
		47 955	635	10 230
5. INVESTMENT INCOME				
Dividend income				
Subsidiaries			220 437	285 514
Interest received				
Subsidiaries			7 691	401
Bank and short-term deposits	5 688	22 910	4 802	21 952
Preference share dividends	9 013	10 967	9 013	10 967
Unlisted investments	1 182	1 095		
Other	447	1 307	342	627
	16 330	36 279	242 285	319 461
6. INTEREST PAID				
Subsidiaries			6 800	5 549
Bank	9 148	2 898	5 823	11
Other	1 134	210		
	10 282	3 108	12 623	5 560
7. TAXATION				
7.1 South African				
Current year	130 348	139 300	9 773	13 199
Adjustments in respect of previous years	(5 078)	(50)	(21)	33
Secondary taxation on companies		2 401		928
	125 270	141 651	9 752	14 160
7.2 Foreign				
Current year	110 284	93 152		
Adjustments in respect of previous years	192	(245)		
Withholding tax	3 810	7 566	135	56
	239 556	242 124	9 887	14 216
7.3 South African deferred taxation				
Current year	(14 432)	(9 323)	(6 802)	(6 064)
Adjustments in respect of previous years	3 404	(656)	(14)	
7.4 Foreign deferred taxation				
Current year	3 008	201		
Adjustments in respect of previous years	(451)	(33)		
Adjustment in respect of change in tax rate	(748)	2		
Taxation charge	230 337	232 315	3 071	8 152

	GROUP 2013 %	GROUP 2012 %	COMPANY 2013 %	COMPANY 2012 %
7. TAXATION continued				
7.5 The reconciliation of the effective rate of taxation charge with the South African company income tax rate is as follows:				
Effective rate of taxation	**30,5**	33,4	**1,3**	2,6
Adjustment to rate due to:				
Dividend income	**1,3**	1,1	**27,0**	26,7
Net effect of tax losses	**(0,1)**	0,1		
Adjustment in respect of previous years	**0,3**	0,1		
Adjustment in respect of change in tax rate	**0,1**			
Foreign taxation rate differentials and withholding taxes	**(3,2)**	(3,8)	**(0,1)**	
Secondary taxation on companies		(0,3)		(0,3)
Abnormal items		(1,9)	**(0,1)**	(0,9)
Expenses not allowable for taxation and other	**(0,9)**	(0,7)	**(0,1)**	(0,1)
South African company income tax rate	**28,0**	28,0	**28,0**	28,0

	2013 R'000	2012 R'000
7.6 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	**15 647**	9 257
Foreign	**25 681**	39 013
Total	**41 328**	48 270
Tax savings effect:		
Before deferred taxation	**13 105**	15 537
After deferred taxation	**883**	1 395

	2013 Number of shares	2012 Number of shares
8. EARNINGS PER SHARE		
8.1 Calculation of weighted average number of ordinary shares		
Weighted average number of ordinary shares	**119 451 349**	119 331 836
Less:		
Treasury shares held by Oceana Empowerment Trust	**(14 038 527)**	(14 121 277)
Treasury shares held by Oceana Brands Limited	**(5 094 350)**	(5 094 350)
Treasury shares held by Oceana Group Share Trust	**(16 500)**	(16 500)
Weighted average number of ordinary shares used in the calculation of basic earnings per share	**100 301 972**	100 099 709
Shares deemed to be issued for no consideration in respect of unexercised share options	**10 100 067**	8 559 497
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	**110 402 039**	108 659 206

	GROUP			
	Gross of tax 2013 R'000	Net of tax 2013 R'000	Gross of tax 2012 R'000	Net of tax 2012 R'000
8. EARNINGS PER SHARE continued				
8.2 Determination of headline earnings				
Profit after taxation attributable to shareholders of Oceana Group Limited		491 016		443 790
Adjusted for:				
Trademark impairment			13 205	13 205
Surplus on disposal of fishing right	(2 418)	(1 741)		
Net loss/(surplus) on disposal of property, plant and equipment	67	50	(1 193)	(837)
Headline earnings for the year		489 325		456 158
Headline earnings per share (cents)				
– Basic		487,9		455,7
– Diluted		443,2		419,8

	GROUP		COMPANY	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
9. DIVIDENDS				
Final of 256 cents per share declared on 8 November 2012, paid 14 January 2013 (2012: 183 cents)	256 643	183 119	305 739	218 341
Interim of 100 cents per share declared on 9 May 2013, paid 1 July 2013 (2012: 45 cents)	100 329	45 069	119 450	53 714
Dividends paid during the year	356 972	228 188	425 189	272 055
Final of 222 cents (2012: 256 cents) per share declared on 7 November 2013, payable on 13 January 2014 based on number of shares in issue on 7 November 2013				
Dividend declared after reporting date	222 951	256 560	265 348	305 739

	GROUP				
	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
10. PROPERTY, PLANT AND EQUIPMENT					
Cost					
At 1 October 2011	62 170	98 872	570 980	395 539	1 127 561
Additions	4 480	1 502	41 986	21 778	69 746
Business acquisition		3 075	9 325	25 000	37 400
Disposals	(15)	(408)	(9 165)	(9 176)	(18 764)
Exchange differences			(6)		(6)
At 30 September 2012	66 635	103 041	613 120	433 141	1 215 937
At 1 October 2012	66 635	103 041	613 120	433 141	1 215 937
Additions	925	7 486	59 486	65 017	132 914
Disposals			(8 988)	(26 352)	(35 340)
Transfer to non-current assets held for sale				(6 696)[1]	(6 696)
Exchange differences			7	1	8
At 30 September 2013	67 560	110 527	663 625	465 111	1 306 823

Note:

[1] *A fishing vessel has been transferred to non-current assets held for sale as the group will dispose of the vessel within the next financial year.*

	GROUP				
	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
10. PROPERTY, PLANT AND EQUIPMENT continued					
Accumulated depreciation and impairment					
At 1 October 2011	14 870	74 781	382 334	239 953	711 938
Depreciation for the year	1 937	4 163	47 710	32 529	86 339
Impairment charge			237		237
Disposals	(15)	(408)	(9 048)	(8 950)	(18 421)
Exchange differences			(6)		(6)
At 30 September 2012	16 792	78 536	421 227	263 532	780 087
At 1 October 2012	**16 792**	**78 536**	**421 227**	**263 532**	**780 087**
Depreciation for the year	**1 941**	**4 042**	**48 711**	**33 750**	**88 444**
Disposals			**(8 586)**	**(22 875)**	**(31 461)**
Transfer to non-current assets held for sale[1]				**(4 078)**	**(4 078)**
Exchange differences			**10**		**10**
At 30 September 2013	**18 733**	**82 578**	**461 362**	**270 329**	**833 002**
Carrying value					
At 1 October 2011	47 300	24 091	188 646	155 586	415 623
At 30 September 2012	49 843	24 505	191 893	169 609	435 850
At 30 September 2013	**48 827**	**27 949**	**202 263**	**194 782**	**473 821**

The insured value of the group's property, plant and equipment at 30 September 2013 amounted to R3,5 billion (2012: R3,3 billion).

Details of land and buildings mentioned above are included in registers which are available on request for inspection at the registered office of the company. The group holds no investment properties.

	COMPANY R'000
Plant, equipment and motor vehicles	
Cost	
At 1 October 2011	20 764
Additions	4 686
Intercompany transfer	(51)
Disposals	(1 052)
At 30 September 2012	24 347
At 1 October 2012	24 347
Additions	8 776
At 30 September 2013	33 123
Accumulated depreciation	
At 1 October 2011	15 955
Depreciation for the year	3 323
Intercompany transfer	(51)
Disposals	(1 036)
At 30 September 2012	18 191
At 1 October 2012	18 191
Depreciation for the year	4 210
At 30 September 2013	22 401
Carrying value	
At 1 October 2011	4 809
At 30 September 2012	6 156
At 30 September 2013	10 722

	GROUP			
	Goodwill R'000	Trademark R'000	Fishing rights R'000	Total R'000
11. GOODWILL, TRADEMARK AND FISHING RIGHTS				
Cost				
At 1 October 2011	17 630	18 101		35 731
Additions			4 402	4 402
Business acquisition	10 000		68 860	78 860
Exchange difference		1 333		1 333
At 30 September 2012	27 630	19 434	73 262	120 326
At 1 October 2012	**27 630**	**19 434**	**73 262**	**120 326**
Additions			**26 695**	**26 695**
Exchange difference		**2 644**		**2 644**
At 30 September 2013	**27 630**	**22 078**	**99 957**	**149 665**
Accumulated amortisation and impairment				
At 1 October 2011	17 630			17 630
Amortisation for the year			853	853
Impairment		13 205		13 205
At 30 September 2012	17 630	13 205	853	31 688
At 1 October 2012	**17 630**	**13 205**	**853**	**31 688**
Amortisation for the year			**15 175**	**15 175**
At 30 September 2013	**17 630**	**13 205**	**16 028**	**46 863**
Carrying value				
At 1 October 2011		18 101		18 101
At 30 September 2012	10 000	6 229	72 409	88 638
At 30 September 2013	**10 000**	**8 873**	**83 929**	**102 802**

Goodwill

Goodwill arose during the 2012 financial year on the acquisition of the V&A Cold Store from the Lusitania group. Goodwill relating to the acquisition of Glenryck Foods Limited, in the United Kingdom (UK), has been impaired in full.

Trademark

The trademark relates to the Glenryck brand of canned fish in the UK market. The recoverable amount of the trademark was determined by assessing the present value of the future cash flows of royalty income to be derived from the Glenryck brand. During the 2012 year, as a result of difficult trading conditions and the poor economic circumstances prevailing in the UK, an impairment was recognised. The key assumptions used in the calculation were the sales volume and price growth rates, which were based on forecasts of performance in terms of the revised business model, and a royalty fee. A discount rate of 20% was used which reflected the operating characteristics of the business and the environment in which it operates. No further impairment was required in the current year.

Fishing rights

During the financial year, additional hake fishing rights were purchased from an associate company of the Lusitania group and pilchard and anchovy rights were acquired from another rights holder. Fishing rights are amortised over the remaining period of the respective rights. Hake, pilchard and anchovy rights are due for renewal in December 2020.

	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
12. DEFERRED TAXATION				
Deferred tax assets	**30 360**	23 187	**19 357**	11 511
Deferred tax liabilities	**(39 797)**	(41 843)		
Net deferred tax (liability)/asset	**(9 437)**	(18 656)	**19 357**	11 511
Net (liability)/asset at the beginning of the year	**(18 656)**	(28 465)	**11 511**	5 447
Transferred from subsidiary			**1 030**	
Adjustment in respect of change in tax rate	**748**	(2)		
Credited to the statement of comprehensive income	**8 471**	9 811	**6 816**	6 064
Net (liability)/asset at the end of the year	**(9 437)**	(18 656)	**19 357**	11 511
Comprising:				
Property, plant and equipment	**(33 724)**	(44 900)		
Taxation loss relief	**12 222**	14 142		
Provisions and other credit balances	**27 759**	26 426	**19 357**	11 511
Section 14(1)(c) allowances, prepayments and other	**(15 694)**	(14 324)		
	(9 437)	(18 656)	**19 357**	11 511
Aggregate amount of unused tax losses for which no deferred tax asset is recognised in the statement of financial position	**14 522**	5 410		
13. INVESTMENTS AND LOANS				
Gross loans	**25 814**	19 782	**328**	328
Less: Provisions for irrecoverable loans	**(7 695)**	(7 511)		
Net loans	**18 119**	12 271	**328**	328
Preference shares	**99 680**	130 044	**99 680**	130 044
Other investments	**625**	625	**603**	603
	118 424	142 940	**100 611**	130 975

Interest amounting to R77 179 (2012: R73 187) was recognised in respect of impaired loans.

Company loans consist of an unsecured, interest-free loan with no fixed terms of repayment to a company in which the group holds a 5,3% (2012: 5,3%) equity share. No impairment provision is required in respect of this loan.

Loans on which repayments are overdue or for which recoverability is in doubt, based on information at hand, have been impaired.

	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
13. INVESTMENTS AND LOANS continued				
Movement on net loans				
Balance at the beginning of the year	**12 271**	21 989	**328**	273
Advances	**14 648**	4 246		55
Interest charged	**998**	995		
Loans repaid	**(9 614)**	(7 659)		
Movement on provisions for irrecoverable loans	**(184)**	(7 300)		
Balance at the end of the year	**18 119**	12 271	**328**	328
Movement on provisions for irrecoverable loans				
Balance at the beginning of the year	**7 511**	211		
Impairment losses recognised	**184**	7 300		
Balance at the end of the year	**7 695**	7 511		

The preference shares are cumulative redeemable "B" preference shares in Oceana SPV Proprietary Limited, a wholly owned subsidiary of Brimstone Investment Corporation Limited, with a coupon rate of 95% of the prime overdraft rate and a 20-year term which expires on 26 September 2026. Carrying value includes preference dividends accrued less repayments received. Redemption of the preference shares and payment of the preference dividends rank behind the "A" preference shares held by The Standard Bank of South Africa Limited in Oceana SPV Proprietary Limited.

	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
Movement on preference shares				
Balance at the beginning of the year	**130 044**	131 026	**130 044**	131 026
Accrued preference dividends	**9 013**	10 967	**9 013**	10 967
Repayments received	**(39 377)**	(11 949)	**(39 377)**	(11 949)
Balance at the end of the year	**99 680**	130 044	**99 680**	130 044

14. 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 and are repayable within 10 years.

	COMPANY 2013 R'000	COMPANY 2012 R'000
Interest-bearing at 6,5% per annum (2012: 6,5%)	**2 820**	5 264

15. OCEANA EMPOWERMENT TRUST

	COMPANY 2013 R'000	COMPANY 2012 R'000
Capital contribution	**2 603**	3 261

The Oceana Empowerment Trust (formerly Khula Trust) was formed in 2006 to hold shares in the company for allocation to qualifying black employees. The trust is funded by capital contributions from the company and participating South African subsidiary companies.

The capital contribution plus a return of 7,46% will be repaid by the trust from dividends received from the company and from the proceeds of shares realised on behalf of qualifying employees after the 10-year lock-in period or on behalf of the beneficiaries of deceased qualifying employees.

	COMPANY 2013 R'000	COMPANY 2012 R'000
16. INTEREST IN SUBSIDIARIES AND JOINT VENTURES		
Shares at cost, less amounts written off	35 361	35 361
Amounts owing by	798 798	438 396
	834 159	473 757
Amounts owing to	(101 468)	(27 864)
	732 691	445 893

Loans to and from subsidiaries and joint ventures are unsecured and have no fixed terms of repayment. A working capital loan to Oceana Brands Limited to fund stock purchases bears interest at rates in line with the prevailing market rate, which was 6,1% at the reporting date. Other loans to and from wholly owned South African subsidiaries are interest-free. Interest rates on other loans are floating and approximate prevailing market rates.

Details of subsidiary and joint venture companies are set out in separate schedules on pages 42 and 43 of these financial statements.

	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
17. INVENTORIES				
Raw materials	43 181	43 250		
Finished goods	1 174 692	689 267		
Consumable stores and work in progress	59 908	45 462		
	1 277 781	777 979		
Finished goods include inventory held at net realisable value of R19 680 000 (2012: R1 910 000).				
18. ACCOUNTS RECEIVABLE				
Net trade receivables	575 971	584 103		
Gross trade receivables	585 199	593 476		
Less: Allowance for credit notes	(8 209)	(6 949)		
Less: Provisions for irrecoverable trade receivables	(1 019)	(2 424)		
Net short-term loans and advances	6 889	4 149		
Gross short-term loans and advances	9 922	9 676		
Less: Provisions for irrecoverable loans and advances	(3 033)	(5 527)		
Amount owing by foreign suppliers	55 437	130 195		
Value added taxation	32 328	40 351		
Accrued income and other	44 169	27 352	3 759	6 560
Prepayments	36 533	33 014	1 915	1 430
	751 327	819 164	5 674	7 990

	GROUP Trade receivables 2013 R'000	GROUP Trade receivables 2012 R'000
18. ACCOUNTS RECEIVABLE continued		
The analysis of group trade receivables is as follows:		
Not past due	**547 158**	554 875
Ageing of trade and other receivables which are past due and not impaired		
30 days	**22 143**	25 622
60 days	**4 506**	2 237
90 days	**799**	1 152
120 days	**376**	107
150 days and over	**989**	110
	575 971	584 103

The granting of credit is controlled by application and credit-vetting procedures which are reviewed and updated on an ongoing basis. Credit risk is reduced by other measures depending on the nature of the customer and market. Credit exposure relating to the domestic fast-moving consumer goods (FMCG) and retail market, other than blue-chip customers, is largely covered by credit guarantee insurance. Exports are normally on letter of credit and in some cases are on a prepaid basis. Exports to African countries in which satisfactory credit guarantee insurance or letter of credit facilities are not available are on open account and are subject to strict credit limits. Cold storage trade receivables are covered by a lien over customer's product held in storage. Individual customer default risks as well as country risks are closely monitored and provisions adjusted accordingly.

Amounts owing by foreign suppliers arise from the sale of raw materials, sourced by the group, to foreign suppliers for processing into fishing goods. Individual customer/supplier default risks as well as country risks are closely monitored.

In determining the recoverability of trade receivables and amounts owing by foreign suppliers, management considers any change in the credit quality of the account from the date credit was initially granted up to the reporting date, taking into account credit guarantee cover, lien over customer's product or other collateral held.

	GROUP 2013 R'000	GROUP 2012 R'000
Movement in provisions for irrecoverable trade receivables		
Balance at the beginning of the year	**2 424**	2 582
Irrecoverable amounts written off against the provision	**(319)**	(274)
Impairment losses (reversed)/recognised	**(1 086)**	116
Balance at the end of the year	**1 019**	2 424
Concentration of credit risk in trade receivables		
By geographical region		
South Africa and Namibia	**450 664**	451 140
Other Africa	**57 481**	87 362
Europe	**50 012**	26 376
Far East and other	**17 814**	19 225
Trade receivables	**575 971**	584 103

	GROUP 2013 R'000	GROUP 2012 R'000
18. ACCOUNTS RECEIVABLE continued		
By customer sector		
Domestic FMCG, wholesale, retail (blue-chip or insured)	**466 836**	455 157
Cold storage (secured by lien)	**51 101**	43 398
Exports on letter of credit/cash with documents	**29 718**	66 266
Open account	**28 316**	19 282
Trade receivables	**575 971**	584 103
Movement in provisions for irrecoverable loans and advances		
Balance at the beginning of the year	**5 527**	6 437
Impairment losses reversed	**(1 383)**	(910)
Irrecoverable accounts written off against the provision	**(1 111)**	
Balance at the end of the year	**3 033**	5 527

There was one customer (2012: one customer) with a balance in excess of 10% of the total trade receivables at the reporting date.

Short-term loans and advances are provided to joint venture partners and quota holders to assist in acquiring fishing vessels or to provide working capital. Interest is charged at rates which vary between prime interest rate charged by banks and prime plus 2%.

Provisions are raised for all trade receivables and short-term loans and advances which are considered irrecoverable.

	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
19. SHARE CAPITAL AND PREMIUM				
19.1 Ordinary shares of 0,1 cent each				
Authorised share capital:				
200 000 000 (2012: 200 000 000) shares	**200**	200	**200**	200
Issued share capital:				
119 514 157 (2012: 119 429 157) shares				
Shares	**120**	119	**120**	119
Share premium	**155 922**	154 558	**155 922**	154 558
	156 042	154 677	**156 042**	154 677
Less: Treasury shares				
19 097 817 (2012: 19 210 233) shares	**(122 272)**	(123 985)		
	33 770	30 692	**156 042**	154 677

	Number of shares 2013	Number of shares 2012
Treasury shares comprise shares held by:		
Oceana Empowerment Trust	**13 986 967**	14 099 383
Oceana Brands Limited	**5 094 350**	5 094 350
Oceana Group Share Trust	**16 500**	16 500
	19 097 817	19 210 233

	GROUP 2013	GROUP 2012	COMPANY 2013	COMPANY 2012
			Number of shares	
19. SHARE CAPITAL AND PREMIUM continued				
19.2 Unissued shares				
Authorised			200 000 000	200 000 000
Issued			119 514 157	119 429 157
Unissued			80 485 843	80 570 843
Under option in terms of the company's share scheme			12 000	97 000
Balance of unissued shares			80 473 843	80 473 843

	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
20. CASH FLOW HEDGING RESERVE				
Balance at the beginning of the year	400	1 922		
Movement on the cash flow hedge reserve	8 788	(1 522)		
Gain/(loss) recognised on cash flow hedges	382	(2 584)		
Transferred from/(to) profit or loss	1 983	(54)		
Transferred to initial carrying amount of hedged item	6 423	1 116		
Balance at the end of the year	9 188	400		

Gains or losses arising on changes in fair value of forward exchange contracts, which have been designated as cash flow hedges, are transferred from equity into profit or loss. These gains or losses are included in cost of sales in the statement of comprehensive income. The cash flows associated with these hedges are expected to occur and affect profit or loss within one year.

	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
21. ACCOUNTS PAYABLE				
Trade payables	310 226	309 767	19 795	3 587
Payroll-related accruals	51 106	83 639	11 675	17 398
Leave pay accrual	20 809	17 889	2 163	1 803
Contingent purchase consideration		10 450		
Short-term loans and advances	17 187	7 998		
Value added taxation payable	3 108	6 651		1 845
Accruals and other payables	194 652	212 281	10 930	8 483
	597 088	648 675	44 563	33 116

No interest is charged on trade payables. The group has financial risk management processes to ensure that all payables are paid within the credit time frame. The carrying value of current accounts payable approximates their fair value.

	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
22. PROVISIONS				
Supplier claims				
Balance at the beginning of the year	2 592	5 541		
Net charge to operating profit	636	4 415		
Utilised during the year	(1 431)	(7 364)		
Balance at the end of the year	1 797	2 592		
Ex gratia retirement provision				
Balance at the beginning of the year	4 088	3 994		
Net charge to operating profit	208	262		
Utilised during the year	(191)	(168)		
Balance at the end of the year	4 105	4 088		

	GROUP 2013 R'000	GROUP 2012 R'000	COMPANY 2013 R'000	COMPANY 2012 R'000
22. PROVISIONS continued				
Other				
Balance at the beginning of the year	**4 087**	2 383		
Net charge to operating profit	**2 979**	4 097		
Utilised during the year	**(2 731)**	(2 393)		
Balance at the end of the year	**4 335**	4 087		
Total				
Balance at the beginning of the year	**10 767**	11 918		
Net charge to operating profit	**3 823**	8 774		
Utilised during the year	**(4 353)**	(9 925)		
Balance at the end of the year	**10 237**	10 767		
23. COMMITMENTS				
23.1 Capital commitments				
Budgeted capital expenditure is as follows:				
Contracted	**44 005**	21 879		
Not contracted	**174 524**	159 280	**6 713**	6 654
	218 529	181 159	**6 713**	6 654
Capital expenditure will be financed from the group's cash resources and short-term borrowing facilities.				
23.2 Operating lease commitments				
The future minimum lease payments under operating leases are as follows:				
Not later than one year	**43 770**	29 652	**2 233**	1 729
Later than one year but not later than five years	**178 524**	140 511	**10 935**	8 467
Later than five years	**344 791**	418 259	**5 960**	7 566
	567 085	588 422	**19 128**	17 762

	GROUP Number 2013	GROUP Number 2012	COMPANY Number 2013	COMPANY Number 2012
24. NUMBER OF EMPLOYEES				
Permanent employees at year-end	**1 848**	1 849	**72**	55

25. SHARE-BASED PAYMENT PLANS

25.1 Equity-settled compensation scheme

The group operates the Oceana Group (1985) Share Option Scheme (the scheme), which is an equity-settled compensation scheme. The provisions of the scheme provide that the aggregate number of unissued shares that may be reserved for the scheme may not exceed 20% of the company's current issued share capital. Share options were granted to executive directors and senior managers by the board on the recommendation of the remuneration and nominations committee. The last grant of options in terms of the scheme was on 25 November 2004 and it is not intended to grant any further options. The exercise price of the options is equal to the 30-day average closing market price of the shares prior to the date of grant. Provided the employee remains in service, the options vest in three tranches, one-third after a period of three years from the date of grant, a further third after four years and the final third after five years. The contractual life of each option granted is 10 years, after which the option lapses. There are no cash alternatives. Options that have not been exercised in accordance with the rules of the scheme are forfeited upon termination of employment, other than on death or retirement.

25. SHARE-BASED PAYMENT PLANS continued

25.1 Equity-settled compensation scheme continued

The following table illustrates the number and volume weighted average prices (VWAP) and movements in share options during the year:

	GROUP			
	2013		2012	
	Number of share options	VWAP rand	Number of share options	VWAP rand
Outstanding at the beginning of the year	**97 000[1]**	**16,08**	320 000[1]	15,89
Exercised during the year	**85 000[2]**	**16,06**	223 000[3]	15,80
Outstanding at the end of the year	**12 000[1]**	**16,24**	97 000[1]	16,08
Exercisable at the end of the year	**12 000**		97 000	

Notes:

[1] *There are no options (2012: none) over shares in the end of the year balance that have not been recognised in accordance with IFRS 2 as the options were granted on or before 7 November 2002.*

[2] *The weighted average share price at the date of exercise for the options exercised was R84,88.*

[3] *The weighted average share price at the date of exercise for the options exercised was R45,48.*

The weighted average remaining contractual life for the share options outstanding as at 30 September 2013 is 0,1 years (2012: 1,8 years).

The range of exercise prices for the options outstanding at the end of the year is as follows:

	GROUP	
	2013 Number of share options	2012 Number of share options
R16,24 per share exercisable until 11 November 2013	**12 000**	32 000
R16,00 per share exercisable until 24 November 2014		65 000
	12 000	97 000

The fair value of equity-settled share options is estimated as at the date of grant using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

25.2 Black economic empowerment (BEE) scheme – Oceana Empowerment Trust

Oceana Empowerment Trust acquired 14 380 465 Oceana shares at a cost of R15,21 per share in 2006 as part of the group's BEE transaction. Options to acquire these shares are allocated to qualifying black employees by the trustees of the trust. Provided the employee remains in service, the options vest in three tranches, one third after a period of three years from the date of allocation, a further third after four years and the final third after five years. After vesting the employee acquires a right to take up the share, but will only take transfer of the share after a lock-in period of 10 years from the date of the initial allocation. Earlier vesting and transfer of benefits is allowed in the event of the death of the employee. Options not exercised will be available for future allocation to other qualifying employees.

The first allocation of options was made on 15 January 2007, followed by a second allocation on 1 May 2010, both at an option price of R15,21 per share. The second allocation was made to new eligible employees, who had joined the group since 15 January 2007, and as a top-up to employees who received options in the first allocation. The number of allocated options has reduced in terms of the scheme rules due to retrenchments, resignations and dismissals.

25. SHARE-BASED PAYMENT PLANS continued

25.2 Black economic empowerment (BEE) scheme – Oceana Empowerment Trust continued

During the year 112 416 options (2012: 57 416) were realised on behalf of beneficiaries of deceased employees.

A third allocation of 2 264 550 options was made on 1 September 2013, at an option price of R15,21 per share, to new eligible employees who had not participated in the first or second allocations and as a top-up to certain employees who had been promoted since the second allocation was made.

The fair value of equity-settled share options is estimated as at the date of grant using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

The share-based payment expense relating to Oceana Empowerment Trust options is disclosed in note 2.

25.3 Cash-settled (phantom) compensation scheme

Phantom share options are granted to executive directors and senior managers by the board on the recommendation of the remuneration and nominations committee in terms of the phantom share scheme which was implemented in 2006. The exercise price and vesting rights of the phantom share options are the same as for the share scheme described in note 25.1, but the contractual life of the options is six years and gains on options are settled in cash. Phantom share options granted in 2008 and thereafter have an additional performance-related hurdle rate, linked to growth in headline earnings per share, which applies to half of the options granted.

The fair value of the cash-settled options is measured at the grant date using the Black-Scholes option pricing model taking into account the terms and conditions upon which the instruments were granted. The services received and the liability to pay for those services are recognised over the expected vesting period. Until the liability is settled it is remeasured at each reporting date with changes in fair value recognised in the statement of comprehensive income.

The following table illustrates the number and volume weighted average prices (VWAP) and movements in share options during the year:

	GROUP			
	2013		2012	
	Number of share options	VWAP rand	Number of share options	VWAP rand
Outstanding at the beginning of the year	**6 239 764**	**30,56**	6 774 387	26,08
Granted during the year	**961 000**	**71,33**	1 063 000	44,77
Forfeited during the year	**55 000**	**36,60**	347 665	27,16
Exercised during the year	**2 066 768**[1]	**23,44**	1 249 958[2]	19,28
Outstanding at the end of the year	**5 078 996**	**41,11**	6 239 764	30,56
Exercisable at the end of the year	**291 341**		649 777	

Notes:

[1] *The weighted average share price at the date of exercise for the options exercised was R74,69.*

[2] *The weighted average share price at the date of exercise for the options exercised was R44,74.*

The weighted average remaining contractual life for the share options outstanding as at 30 September 2013 is 3,4 years (2012: 3,4 years).

25. SHARE-BASED PAYMENT PLANS continued

25.3 Cash-settled (phantom) compensation scheme continued

The range of exercise prices for the options outstanding at the end of the year is as follows:

	Grant number	2013 Number of share options	2012 Number of share options
R19,26 per share exercisable until 7 February 2014	3	**51 332**	615 699
R22,65 per share exercisable until 5 February 2015	4A	**774 997**	1 576 066
R25,06 per share exercisable until 1 July 2015	4B	**166 667**	500 000
R29,59 per share exercisable until 11 February 2016	5	**913 000**	1 277 000
R37,52 per share exercisable until 10 February 2017	6	**1 177 000**	1 220 000
R44,77 per share exercisable until 16 February 2018	7	**1 035 000**	1 051 000
R67,49 per share exercisable until 14 February 2019	8A	**760 000**	
R85,86 per share exercisable until 1 July 2019	8B	**201 000**	
		5 078 996	6 239 765

The significant inputs into the model used to value the liability for share-based payments were a 30-day volume weighted average share price of R84,43 (2012: R53,02), an expected option life of six years and expected dividend yield of 5,26% (2012: 5,8%). The interest rate yield used was the Standard Bank Closing Swap Curve. Risk-free rates ranged from 5,1% to 7,5% (2012: 5,1% to 6,0%). Expected volatility of 29,7% (2012: 31,5%) was based on historical share price volatility.

The share-based payment expense relating to cash-settled options is disclosed in note 2.

26. RETIREMENT BENEFITS

The group provides a total of seven retirement plans that cover all employees. The plans consist of four defined-contribution provident funds, one defined-contribution retirement fund and an umbrella fund. There is also a defined-benefit pension fund which had one active member who transferred to a defined-contribution fund during the year. The assets of the funds are held in independent funds, administered by their trustees in terms of the Pension Funds Act, 24 of 1956, as amended. In terms of the Pension Funds Act, certain of the retirement funds are exempt from actuarial valuation.

The Oceana Group Pension Fund which is not exempt from valuation must, in terms of the Pension Funds Act, be valued at least every three years. At the date of the last valuation on 30 September 2011, the fund was confirmed to be in a financially sound condition. The last active member has been converted to a defined-contribution fund and the pensioners liability has been outsourced. There is therefore no liability remaining in the fund.

Members of one provident fund and one pension fund transferred to a new umbrella fund with effect from 1 July 2013. Transfer of the assets of the two funds to the umbrella fund is expected to be completed in 2014.

	GROUP				
	2013 R'000	2012 R'000	2011 R'000	2010 R'000	2009 R'000
Balance at the end of the year					
Present value of defined-benefit obligations and surplus apportionment to former members		(1 497)	(10 790)	(10 176)	(9 495)
Fair value of plan assets in respect of defined-benefit obligations and surplus apportionment to former members	**8 990**	8 682	16 185	17 573	13 702
Funded status of defined-benefit plan	**8 990**	7 185	5 395	7 397	4 207
Unrecognised actuarial gains/(losses)		638	2 127	(722)	(3 056)
Asset not recognised at the reporting date	**(8 990)**	(7 823)	(7 522)	(6 675)	(1 151)
Liability at the reporting date					

In respect of those retirement arrangements which disclosed a positive fund status, no assets have been recognised by the group. The funded status is shown above for disclosure purposes only and does not necessarily indicate any assets available to the group.

	GROUP				
	2013 R'000	2012 R'000	2011 R'000	2010 R'000	2009 R'000
26. RETIREMENT BENEFITS continued					
Movement in the liability recognised in the statement of financial position					
Opening balance					
Asset not recognised at the beginning of the year	**7 823**	7 522	6 675	1 151	14 966
Contributions paid	**36 104**	30 087	24 675	22 670	20 400
Other expenses included in staff costs	**(43 927)**	(37 609)	(31 350)	(23 821)	(35 366)
Current service cost	**(36 124)**	(30 115)	(24 669)	(22 667)	(20 389)
Interest (cost)/income	**(135)**	(534)	(910)	(756)	160
Expected return on plan assets	**521**	1 108	1 751	1 455	1 227
Surplus allocation – former members and related reserves				4 409	(15 213)
Net actuarial gains/(losses) unrecognised during the year	**801**	(245)		413	
Asset not recognised at the reporting date	**(8 990)**	(7 823)	(7 522)	(6 675)	(1 151)
Balance at the end of the year					
The principal actuarial assumptions used for accounting purposes relating to the defined-benefit obligations were:					
Discount rate net of tax	**n/a**	8,65%	8,50%	9,00%	8,50%
Inflation rate	**6,00%**	6,25%	6,00%	6,00%	6,00%
Expected return on plan assets	**6,00%**	9,65%	9,50%	10,00%	9,50%
Future salary increases	**6,75%**	7,25%	6,75%	6,75%	6,75%
Future pension increases	**n/a**	6,25%	6,00%	6,00%	6,00%

Post-employment medical obligations

The group operates a post-employment medical benefit scheme that covers certain of its retirees. This benefit is no longer offered by the group to current employees or new employees. The liabilities are valued annually using the Projected Unit Credit Method and have been funded by contributions to an independently administered insurance plan. The latest full actuarial valuation was performed at 30 September 2013.

	2013 R'000	2012 R'000
Present value of obligations	**8 297**	8 145
Less: Fair value of plan assets	**(7 470)**	(8 145)
Liability at the reporting date	**827**	

The principal actuarial assumptions used for accounting purposes relating to post-employment medical obligations:

Discount rate	**7,97%**	7,25%
Medical inflation	**7,91%**	7,10%

A 100 basis point increase or decrease in the rate of medical inflation would lead to an increase or decrease in the present value of obligations of 8,4% and 7,4% respectively.

A 100 basis point increase or decrease in the discount rate would lead to an increase or decrease in the present value of obligations of 8,2% and 7,1% respectively.

27. CONTINGENT LIABILITIES

The company and its subsidiaries have given cross suretyships in support of bank overdraft facilities of certain subsidiaries and the company. The company has subordinated its loan to Blue Atlantic Trading Proprietary Limited and given a letter of support to Calamari Fishing Proprietary Limited.

28. FINANCIAL RISK MANAGEMENT

The group's activities expose it to a variety of financial risks: capital risk, market risk (including currency, interest rate and price risk), liquidity risk and credit risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

Capital risk

Capital is managed to ensure that operations continue as a going concern and that expansion opportunities can be funded when they arise. The group and company's capital management strategy has remained consistent with the prior year. Capital comprises equity, as disclosed in the statement of changes in equity, and overdrafts supplemented when required by short-term borrowing facilities.

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.

Foreign currency balances and exposure

	GROUP				
	US dollar '000	Euro '000	Sterling '000	Yen '000	Australian dollar '000
2013					
Trade receivables	**5 383**	**1 915**	**828**	**13 147**	**295**
Other accounts receivable	**5 466**	**30**			
Cash and cash equivalents	**4 344**				
Accounts payable	**(10 766)**	**(27)**	**(53)**		
	4 427	**1 918**	**775**	**13 147**	**295**
Year-end exchange rate	**10,15**	**13,70**	**16,41**	**9,69**	**9,42**
2012					
Trade receivables	11 790	968	1 155		189
Other accounts receivable	16 613				
Cash and cash equivalents	5 324		4		
Accounts payable	(16 392)	(217)	(95)		
	17 335	751	1 064		189
Year-end exchange rate	8,28	10,64	13,36		8,60

Currency risks arising from foreign trading operations are partially hedged by means of forward exchange contracts (FECs) and the set-off effect of foreign currency denominated assets and liabilities. The group does not enter into derivative contracts for speculative purposes. Currency risk management is carried out through close co-operation between the group's operating units and the group treasury department in terms of approved policies.

The group holds FECs which have been marked to market in the statement of financial position. For FECs designated as cash flow hedges, the gains and losses transferred from equity into profit or loss are included in cost of sales. Those which relate to foreign currency commitments not yet due and assets not yet receivable (therefore not yet recognised in the statement of financial position) are shown in the following table. The contracts will be utilised for purposes of trade in the 2014 financial year.

	GROUP			
	US dollar '000	Euro '000	Sterling '000	Norwegian krone
28. FINANCIAL RISK MANAGEMENT continued				
Foreign currency balances and exposure continued				
2013				
Foreign currency bought	**37 645**	**61**		**3 055**
Foreign currency sold	**570**			**0**
Average exchange rate	**10,08**	**13,56**		**1,69**
2012				
Foreign currency bought	14 484	106	12	
Foreign currency sold	1 594	65	1 339	
Average exchange rate	8,26	10,61	13,24	

Foreign currency sensitivity analysis

The following table shows the group's sensitivity to a 10% weakening in the rand against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at financial year-end for a 10% weaker rand, with all other variables held constant. For a 10% stronger rand there would be an equal and opposite impact on profit before taxation. The table excludes foreign subsidiaries.

	GROUP	
	2013 R'000	2012 R'000
Increase in profit before taxation		
US dollar	**4 493**	14 348
Euro	**2 627**	799
Sterling	**1 271**	1 421
Australian dollar	**278**	163
Yen	**136**	

The following table shows the group's sensitivity to a 10% weaker rand on the translation of foreign subsidiaries, with all other variables held constant. For a 10% stronger rand there would be an equal and opposite impact on the FCTR.

	2013 R'000	2012 R'000
Increase in FCTR		
US dollar	**2 235**	1 031
Sterling	**1 953**	832

The company does not have any foreign currency commitments or any foreign currency denominated assets or liabilities.

Interest rate risk and liquidity risk

Financial assets and liabilities affected by interest rate fluctuations include cash and short-term deposits, preference shares, loans receivable and bank overdrafts. Interest rates applicable to these assets and liabilities are floating except when short-term deposits of up to three months are made at fixed rates. Interest rates approximate prevailing market rates in respect of the financial instrument and country concerned. The group does not use derivative instruments to manage exposure to interest rate movements.

The group and company manage their liquidity risk by monitoring and forecasting cash flows and by maintaining adequate borrowing facilities to meet short-term demands. In terms of the company's memorandum of incorporation, the company's borrowing powers are unlimited.

All non-derivative financial liabilities mature within one year in both the group and the company.

28. FINANCIAL RISK MANAGEMENT continued

Interest rate sensitivity analysis

For the group, based on the interest-bearing net assets and interest rates ruling at the reporting date, net interest paid would amount to R4,0 million (2012: earned R20,3 million). A 100 basis point change in the interest rate would result in an increase or decrease of R0,6 million (2012: R3,6 million). The group's sensitivity to interest rates has decreased since the previous year due to a reduction in the absolute value of net cash and cash equivalents.

For the company, based on the interest-bearing net assets and interest rates ruling at the reporting date, net interest paid would amount to R16,8 million (2012: earned R18,9 million). A 100 basis point change in the interest rate would result in an increase or decrease of R1,4 million (2012: R3,1 million). The company's sensitivity to interest rates has decreased since the previous year due to a reduction in the absolute value of net cash and cash equivalents.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group or company.

Potential concentrations of credit risk consist principally of trade receivables, loans and advances and short-term cash investments. Long-term loans are secured by cession of shares and fishing rights and bonds over assets as appropriate. Advances are short-term and usually recoverable within the fishing season to which they relate. The group and company deposit short-term cash surpluses only with major financial institutions of high-quality credit standing. At 30 September 2013, the directors did not consider there to be any significant concentration of credit risk which had not been adequately provided for. Details are disclosed in note 18 of how credit risk relating to accounts receivable is managed.

Fair values

The carrying amounts of financial assets and liabilities approximate their fair values at year-end because they are either of a short-term nature or bear interest at market-related rates.

All forward exchange contracts recorded in the cash flow hedging reserve are regarded as level 2 financial instruments. Level 2 fair value measurements are those derived from inputs that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).

Classification of financial instruments

	GROUP		COMPANY	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
Financial assets				
Loans and receivables	924 082	1 164 292	919 885	755 137
Financial liabilities				
At amortised cost	866 964	668 709	400 868	59 177

29. RELATED-PARTY DISCLOSURES

During the year the company received fees from some of its subsidiaries and joint ventures for the provision of various administration services.

The company provides financing to subsidiary companies and joint ventures and invests surplus cash on their behalf. A working capital loan to Oceana Brands Limited to fund stock purchases bears interest at rates in line with prevailing market rates. Other loan accounts between wholly owned group companies in South Africa are interest-free. Other loan accounts bear interest at rates similar to rates levied by banks. Details of loan balances with, and interests in, subsidiary and joint venture companies are disclosed on pages 42 and 43. Details of treasury shares held by share trusts are disclosed in note 19.

The company owns preference shares issued by Oceana SPV Proprietary Limited, a subsidiary of Brimstone Investment Corporation Limited. Further details of this investment are disclosed in note 13.

29. RELATED-PARTY DISCLOSURES continued

Details of the transactions between the group and the company with related parties are as follows.

	GROUP		COMPANY	
	2013 R'000	2012 R'000	2013 R'000	2012 R'000
Transactions				
Transactions with joint ventures				
Administration fees received	1 972	2 146	1 324	1 253
Net interest received	315	404	310	495
Transactions with subsidiaries				
Administration fees received			156 220	116 544
Dividends received			220 437	285 514
Net interest received/(paid)			891	(5 148)
Transactions with shareholders				
Dividends receivable from Oceana SPV Proprietary Limited	9 013	10 967	9 013	10 967
Goods and services sold to Tiger Brands Limited subsidiaries	3 932	5 886		
Goods and services sold to Brimstone Investment Corporation Limited subsidiaries	8 480	9 403		
Goods and services bought from Brimstone Investment Corporation Limited subsidiaries	1 479	1 812		
Compensation of key management personnel				
Key management personnel are those persons having authority and responsibility for planning, directing and controlling activities, directly or indirectly, including any director of that entity.				
Short-term employee benefits	24 721	47 557	14 668	29 661
Post-employment benefits	3 316	3 045	2 015	1 863
Share-based payments – cash-settled compensation scheme	65 934	32 135	50 073	23 378
Share-based payments – Oceana Empowerment Trust	55	66	52	66
Termination benefits	381		381	
Non-executive directors' emoluments	2 592	2 404	2 592	2 404
Total compensation of key management	96 999	85 207	69 781	57 372

Interest of directors in contracts

The directors of Oceana make declarations of interest in terms of section 75 of the Companies Act. These declarations indicate that certain directors hold positions of influence in other entities which are shareholders, suppliers, customers and/or competitors of the group.

Post-retirement benefit plans

The group is a member of various defined-contribution plans as well as a defined-benefit plan. Further details are shown in note 26.

30. DIRECTORS' AND PRESCRIBED OFFICER'S REMUNERATION

Executive directors' remuneration

	COMPANY					
2013 Name	Salary R'000	Allowances R'000	Retirement fund contributions R'000	Incentive bonuses[1] R'000	Gain on exercise of phantom share options R'000	Total emoluments R'000
ABA Conrad	1 507	144	350	415	2 095	4 511
FP Kuttel	3 654	189	556	937	20 356	25 692
RG Nicol[2]	2 121	136	359	478	12 845	15 939
I Soomra[3]	576	23	101	850		1 550
Total	7 858	492	1 366	2 680	35 296	47 692
2012						
ABA Conrad	1 265	144	302	1 874	1 397	4 982
FP Kuttel	3 349	174	512	4 414		8 449
RG Nicol	2 215	100	443	3 044	2 006	7 808
Total	6 829	418	1 257	9 332	3 403	21 239

Note:

[1] *Performance bonuses are accounted for on an accrued basis, to match the amount payable to the applicable financial year.*

[2] *RG Nicol retired 30 June 2013.*

[3] *I Soomra appointed 1 July 2013.*

Executive directors' phantom share option details

2013 Name	Options as at 30 Sept 2012	Option price (cents)	Options granted during the year	Options exercised during the year	Exercise price (cents)	Options as at 30 Sept 2013	Expiry date
ABA Conrad	15 000	1 926		15 000	6 742		07.02.2014
	61 333	2 265		30 666	6 742	30 667	05.02.2015
	38 000	2 959				38 000	11.02.2016
	33 000	3 752				33 000	10.02.2017
	30 000	4 477				30 000	16.02.2018
		6 749	39 000			39 000	14.02.2019
	177 333		39 000	45 666		170 667	
FP Kuttel	500 000	2 506		166 666	6 926	166 667	01.07.2015
		2 506		166 667	8 586		
	136 000	2 959		45 334	9 259	90 666	11.02.2016
	119 000	3 752				119 000	10.02.2017
	107 000	4 477				107 000	16.02.2018
		6 749	129 000			129 000	14.02.2019
	862 000		129 000	378 667		612 333	
RG Nicol	100 000	1 926		66 667	6 926		07.02.2014
		1 926		33 333	6 816		
	188 000	2 265		62 667	6 926	62 666	05.02.2015
		2 265		62 667	8 581		
	78 000	2 959		26 000	6 816	52 000	11.02.2016
	68 000	3 752				68 000	10.02.2017
	61 000	4 477				61 000	16.02.2018
	495 000			251 334		243 666	
I Soomra		8 586	180 000			180 000	01.07.2019
			180 000			180 000	

30. DIRECTORS' AND PRESCRIBED OFFICER'S REMUNERATION continued

Executive directors' phantom share option details continued

COMPANY

2012 Name	Options as at 30 Sept 2011	Option price (cents)	Options granted during the year	Options exercised during the year	Exercise price (cents)	Options as at 30 Sept 2012	Expiry date
ABA Conrad	13 333	1 691		13 333	4 235		10.11.2012
	30 000	1 926		15 000	4 470	15 000	07.02.2014
	92 000	2 265		30 667	4 470	61 333	05.02.2015
	38 000	2 959				38 000	11.02.2016
	33 000	3 752				33 000	10.02.2017
		4 477	30 000			30 000	16.02.2018
	206 333		30 000	59 000		177 333	
FP Kuttel	500 000	2 506				500 000	01.07.2015
	136 000	2 959				136 000	11.02.2016
	119 000	3 752				119 000	10.02.2017
		4 477	107 000			107 000	16.02.2018
	755 000		107 000			862 000	
RG Nicol	38 333	1 539		38 333	4 250		08.02.2012
	30 000	1 691		30 000	4 914		10.11.2012
	100 000	1 926				100 000	07.02.2014
	188 000	2 265				188 000	05.02.2015
	78 000	2 959				78 000	11.02.2016
	68 000	3 752				68 000	10.02.2017
		4 477	61 000			61 000	16.02.2018
	502 333		61 000	68 333		495 000	

Executive directors' share option details

2013 Name	Balance as at 30 Sept 2012 Number	Share options deemed to be exercised during the year[1] Number	Gains on options exercised R'000	Exercise price (cents)	Deemed exercise dates	Lapsed options Number	Balance as at 30 Sept 2013 Number
RG Nicol	187 000	(187 000)					

2012 Name	Balance as at 30 Sept 2011 Number	Balance as at 30 Sept 2012 Number
RG Nicol	187 000	187 000

Note:

[1] *Directors are deemed to have exercised share options on the date on which they have ownership of the shares and are entitled to dispose of them.*
RG Nicol retired on 30 June 2013 and exercised his share options after his retirement date. Gains on options exercised are therefore not included above.

30. DIRECTORS' AND PRESCRIBED OFFICER'S REMUNERATION continued

Non-executive directors' remuneration

	COMPANY					
	2013			2012		
	Board fees R'000	Committee fees R'000	Total R'000	Board fees R'000	Committee fees R'000	Total R'000
ZBM Bassa	172	137	309	160	106	266
MA Brey	487	56	543	455	52	507
PG de Beyer	172	159	331	160	149	309
NP Doyle[1, 2]	82	27	109			
PB Matlare[1]	172	55	227	160	52	212
S Pather	230	191	421	215	155	370
PM Roux[1, 3]	68	37	105	160	80	240
NV Simamane	172	148	320	160	132	292
TJ Tapela	172	55	227	160	48	208
Total	1 727	865	2 592	1 630	774	2 404

Note:

[1] *Paid to Tiger Brands Limited.*

[2] *NP Doyle appointed 8 April 2013.*

[3] *PM Roux resigned 22 February 2013.*

31. EVENTS AFTER THE REPORTING DATE

No events occurred after the reporting date that may have an impact on the group's reported financial position at 30 September 2013 or require separate disclosure in these financial statements.

INTEREST IN PRINCIPAL SUBSIDIARIES AND JOINT VENTURES

at 30 September 2013

Name of company	Notes	Nature of business	Issued capital 2013 R	Effective holding 2013 %	Effective holding 2012 %	Interest of holding company: Cost of shares 2013 R'000	Cost of shares 2012 R'000	Indebtedness 2013 R'000	Indebtedness 2012 R'000
Blue Atlantic Trading (Pty) Ltd	1	Fish trading	**100**	**50**	50			**5 000**	11 362
Blue Continent Products (Pty) Ltd		Horse mackerel, hake	**1 000**	**100**	100	**1 932**	1 932	**97 665**	95 272
Calamari Fishing (Pty) Ltd		Squid	**4 000**	**100**	100			**14 662**	15 918
Commercial Cold Storage (Pty) Ltd		Cold storage	**100**	**100**	100			**(4 622)**	11 490
Commercial Cold Storage Group Ltd		Holding company	**1 000 000**	**100**	100	**6 986**	6 986		
Commercial Cold Storage (Ports) (Pty) Ltd		Cold storage	**100**	**70**	70				
Commercial Cold Storage (Namibia) (Pty) Ltd – Namibia		Cold storage	**10 000**	**100**	100			**(33 208)**	(18 234)
Compass Trawling (Pty) Ltd		Hake	**1 000**	**60,53**	60,53				
Desert Diamond Fishing (Pty) Ltd		Horse mackerel	**120**	**90**	90			**13 854**	(2 507)
Erongo Marine Enterprises (Pty) Ltd – Namibia		Horse mackerel	**100**	**100**	100			**(63 440)**	(6 890)
Erongo Seafoods (Pty) Ltd – Namibia		Horse mackerel	**40 000**	**49**	49				
Erongo Sea Products (Pty) Ltd – Namibia	2	Horse mackerel	**100**	**58**	48				
Etosha Fisheries Holding Company (Pty) Ltd – Namibia	1	Canned fish, fishmeal/oil	**9 085**	**44,9**	44,9	**10 988**	10 988		
Glenryck Foods Ltd – United Kingdom		Canned fish	**6 080 000**	**100**	100	**12 713**	12 713		
Lamberts Bay Foods Ltd		French fries	**52 700**	**100**	100	**22**	22	**16 934**	12 667
MFV Romano Paulo Vessel Company (Pty) Ltd	1	Rock lobster	**3 000**	**35**	35				
Oceana Brands Ltd		Canned fish, fishmeal/oil	**600 000**	**100**	100	**1 706**	1 706	**648 364**	277 881
Oceana International Ltd – Isle of Man	1, 3	Horse mackerel	**46 000**	**50**	100	**23**	23		
Oceana Lobster Ltd		Rock lobster	**965 500**	**100**	100	**966**	966	**2 319**	13 806
Stephan Rock Lobster Packers Ltd		Rock lobster	**200 000**	**51**	51	**25**	25	**(198)**	(233)
						35 361	35 361	**697 330**	410 532

Only principal subsidiaries and joint ventures have been included in the above list. Details of all subsidiaries and joint ventures are available upon request from the company secretary.

All subsidiaries and joint ventures are incorporated in South Africa unless otherwise indicated.

Note:

[1] *Joint venture.*

[2] *Additional shares in Erongo Sea Products (Pty) Ltd were acquired from a minority shareholder in 2013.*

[3] *Oceana International Ltd changed from being a wholly owned subsidiary to a joint venture through the issue of new shares by this company to an outside party.*

INTEREST IN JOINT VENTURES
at 30 September 2013

EFFECTIVE HOLDING	2013 %	2012 %
The amounts below are included in the group's financial statements as a result of the proportionate consolidation of joint ventures. Significant joint ventures include:		
Blue Atlantic Trading Proprietary Limited	**50,00**	50,00
Etosha Fisheries Holding Company Proprietary Limited	**44,90**	44,90
MFV Romano Paulo Vessel Company Proprietary Limited	**26,95**	26,95
Oceana International Limited	**50,00**	
Realeka/Premier JV (unincorporated joint venture of Blue Continent Products Proprietary Limited)	**52,00**	52,00

	R'000	R'000
STATEMENT OF COMPREHENSIVE INCOME		
Revenue	**389 328**	175 006
Expenses	**(347 983)**	(156 288)
Operating profit	**41 345**	18 718
Net interest	**(2 730)**	(1 414)
Profit before taxation	**38 615**	17 304
Taxation	**2 202**	(228)
Profit after taxation	**36 413**	17 532
STATEMENT OF FINANCIAL POSITION		
Property, plant and equipment	**18 239**	13 744
Investments	**22**	22
Current assets	**157 216**	121 193
Current liabilities		
– Interest-bearing	**(36 794)**	(44 574)
– Interest-free	**(39 891)**	(30 145)
Deferred taxation	**(1 252)**	(128)
STATEMENT OF CASH FLOWS		
Operating profit	**41 345**	18 718
Adjustments for non-cash items	**1 254**	972
Working capital changes	**(11 525)**	(30 775)
Cash flows from operations	**31 074**	(11 085)
Net interest paid	**(2 730)**	(1 414)
Taxation paid	**(2 336)**	(297)
Net cash flows from operating activities	**26 008**	(12 796)
Cash flows from investing activities	**(5 747)**	(2 467)
Cash flows from financing activities	**23**	
Net increase/(decrease) in cash and cash equivalents	**20 284**	(15 263)

SHAREHOLDER ANALYSIS
at 30 September 2013

SHAREHOLDER SPREAD	Number of shareholders	%	Number of shares	%
1 – 1 000 shares	1 308	61,3	584 237	0,5
1 001 – 10 000 shares	614	28,8	2 147 030	1,8
10 001 – 100 000 shares	154	7,2	4 941 058	4,1
100 001 – 1 000 000 shares	47	2,2	12 484 744	10,5
1 000 001 shares and over	10	0,5	99 357 088	83,1
	2 133	100,0	119 514 157	100,0

DISTRIBUTION OF SHAREHOLDERS				
Banks	42	2,0	4 525 063	3,8
Brokers	21	1,0	621 407	0,5
Close corporations	30	1,4	77 109	0,0
Empowerment	1	0,0	20 096 755	16,8
Individuals	1 637	76,8	3 244 969	2,7
Insurance companies	8	0,4	728 196	0,6
Investment companies	11	0,5	205 312	0,2
Mutual funds	81	3,8	9 557 121	8,0
Nominees and trusts	175	8,2	693 155	0,6
Other corporate bodies	18	0,8	190 097	0,2
Pension funds	49	2,3	9 801 842	8,2
Private companies	53	2,5	559 427	0,5
Public companies	4	0,2	50 115 887	41,9
Treasury shares held by share trusts	2	0,1	14 003 467	11,7
Treasury shares held by subsidiary	1	0,0	5 094 350	4,3
	2 133	100,0	119 514 157	100,0

SHAREHOLDER TYPE				
Non-public shareholders	77	3,5	89 681 949	75,0
Directors and employees	72	3,4	388 500	0,3
Treasury shares held by share trusts	2	0,1	14 003 467	11,7
Treasury shares held by subsidiary	1	0,0	5 094 350	4,3
Empowerment	1	0,0	20 096 755	16,8
Other holdings greater than 10%	1	0,0	50 098 877	41,9
Public shareholders	2 056	96,5	29 832 208	25,0
	2 133	100,0	119 514 157	100,0

SHAREHOLDERS HOLDING IN EXCESS OF 5%		
Tiger Brands Limited	50 098 877	41,9
Brimstone Investment Corporation Limited	20 096 755	16,8
Oceana Empowerment Trust	13 986 967	11,7
Government Employees Pension Fund	6 711 327	5,6

ADMINISTRATION

Registered office and business address
9th Floor, Oceana House
25 Jan Smuts Street
Foreshore, Cape Town 8001
PO Box 7206, Roggebaai 8012
Telephone: National 021 410 1400
International +27 21 410 1400
Facsimile: 021 419 5979
E-mail: info@oceana.co.za
Website: www.oceana.co.za

Company registration number
1939/001730/06

JSE share code
OCE

NSX share code
OCG

Company ISIN
ZAE000025284

Transfer secretaries
Computershare Investor Services Proprietary Limited
70 Marshall Street
Johannesburg 2001
PO Box 61051, Marshalltown 2107
Telephone: 011 370 5000
Facsimile: 011 688 5216

Secretary
JC Marais (41)
BA LLB
Appointed in 2011

Bankers
The Standard Bank of South Africa Limited
FirstRand Bank Limited
Nedbank Limited

Auditors
Deloitte & Touche

JSE sponsor
The Standard Bank of South Africa Limited

NSX sponsor
Old Mutual Investment Services (Namibia) Proprietary Limited

DIRECTORS

Chairman
Mustaq Ahmed Brey[†] (59)

Chief executive officer
Francois Paul Kuttel[°◊•] (45)

Financial director
Imraan Soomra[°◊] (38)

Group strategic services director
Alethea Berenice Anne Conrad[°◊•] (49)

NON-EXECUTIVE DIRECTORS

Lead independent director
Saamsoodein Pather[*†] (63)

Zarina Bibi Mahomed Bassa[*◊] (49)

Peter Gerard de Beyer[*†] (58)

Noel Patrick Doyle[◊] (47)

Peter Bambatha Matlare[†] (54)

Nomahlubi Victoria Simamane[•†] (54)

Takula Jenkins Tapela[•] (45)

* Audit committee
◊ Risk committee
† Remuneration and nominations committee
° Executive director
• Social, ethics and transformation committee

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