

PREMIER FISHING AND BRANDS LIMITED  
(Incorporated in the Republic of South Africa)  
Registration number 1998/018598/06  
Share code: PFB and ISIN: ZAE000247516  
("PFB" or "the Company" or "the Group" or "Premier")

SHORT FORM ANNOUNCEMENT

SUMMARISED UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS FOR THE 6 MONTHS ENDED 29 FEBRUARY 2020

Shareholders are hereby advised that Premier Fishing and Brands Limited's ("Premier") summarised unaudited condensed consolidated interim results for the 6 months ended 29 February 2020 are available on Premier's website and can be viewed at [https://senspdf.jse.co.za/documents/2020/jse/isse/pfbe/SENS\\_LF.PDF](https://senspdf.jse.co.za/documents/2020/jse/isse/pfbe/SENS_LF.PDF)

The salient features compared to the corresponding period in the prior year are as follows:

- Revenue decreased to R215 million from R287 million
- Gross profit decreased to R80 million from R137 million
- Profit after tax decreased to R20 million from R55 million
- Earnings before interest, taxation, depreciation and amortization (EBITDA) decreased to R28 million from R69 million.
- Abalone farm production increased from 120 tons to 190 tons
- Current asset ratio of 4:1

The Group delivered a satisfactory performance for the period, given the effects of the Corona Virus (COVID-19) have had on the fishing industry:

- While there is still a high demand for the Groups' products globally, the Corona Virus (COVID-19) has had an adverse effect on its financial performance. The Group is regarded as an essential business service and is still able to carry on operations with catching and processing most of its products. However, the Group is unable to export freely to its global markets in the Far East, Europe and the USA during the COVID-19 period. Global selling prices are under pressure which has caused a decline in revenue and in turn profitability.

Furthermore, the Group experienced other exogenous factors outside its control, which included:

- The decrease of 44% in the total allowable catch "TAC" of the West Coast Rock Lobster that was experienced in the prior year has remained constant.
- Lower industry wide catch rates in the squid division as compared to the previous fishing season; and
- The seven-month long protests and socio-political unrest in the Asian market prior to COVID-19, more

specifically in Hong Kong, putting pressure on selling prices of abalone and hence affecting operating margins.

As a result basic earnings per share (“EPS”) decreased to 5.43 cents per share for the six months ended 29 February 2020 compared to from 13.44 for the prior year six months ended 28 February 2019. Headline earnings per share (“HEPS”) decreased to 4.94 cents per share for the six months ended 29 February 2020 from 13.49 for the prior year six months ended 28 February 2019.

Net asset value per share (NAV) for the six months ended 29 February 2020 is 307.11 cents per share compared to 318.15 cents per share for the prior year six months ended 28 February 2019.

#### DIVIDENDS

The Group’s policy is to declare 60-80% of the earnings per share as a dividend to shareholders. The impact of Covid-19 is being felt in most of the markets that the Group operates in despite the Group being deemed an essential

business service. There is no certainty as to when the pandemic will be brought under control and how long it will take for our markets to return to normal levels. As a consequence of this uncertainty, the Board of Directors believes that preservation of cash is paramount to ensure the sustainability of the Group in this current environment,

and has as such, made the decision not to declare a dividend for this interim period for the 6 months ending 29 February 2020. Dividends for the prior year six months ending 28 February 2019 amounted to R31.2 million which equated to 12 cents per share.

#### GOING CONCERN

Following the recent outbreak of COVID-19, certain financial pressures will be placed on certain divisions within the Group. A number of interventions have been put in place to mitigate these financial pressures and as such, the Board of Directors believe that the Group still has adequate financial resources to continue in operation for the foreseeable future and accordingly these interim financial statements for the six months ended 29 February 2020 have

been prepared on a going concern basis.

The Board of Directors have satisfied themselves that the Group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of

any new material changes, except for the COVID-19 pandemic that may economically impact the Group.

#### STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

This short-form announcement contains only a summary of the information in the full announcement and does not

contain the full and complete details and is the responsibility of the directors.

Please refer to the full announcement for additional information. The full announcement is also available for viewing on Premier's website at [www.premierfishing.co.za](http://www.premierfishing.co.za). In addition, electronic copies of the full announcement may be requested and obtained, at no charge during office hours, or from the sponsor at [sponsor@vunanicapital.co.za](mailto:sponsor@vunanicapital.co.za).

Any investment decisions by investors and/or shareholders should be based on consideration of the full announcement

Made on Premier's website.

#### APPRECIATION

We wish to thank our employees, Group executives, management, our Board of Directors, as well as our strategic partners, stakeholders and business partners for their loyalty and dedication in contributing to the success of the Group during this trying period.

#### DIRECTORATE AND STATUTORY INFORMATION

##### Directors

##\*Aziza Amod (Independent non-executive chairperson; \*Rushaan Isaacs (Chief executive officer); \*B Robertson (Chief financial Officer ##\*Rosemary Phindile Mosia; ##\*Clifford Leonard van der Venter; ##\* Salim Young; ##\*Advocate Ngoako Ramatlhodi, ##\*Sebenzile Patrick Mngconkola; ##\*Ismet Amod

\*Executive directors

##\*Non-executive directors

12 May 2020

Company Secretary: Cornell Kannemeyer

Business address: No.3 South Arm Road, Victoria Basin, Victoria and Alfred Waterfront, Cape Town, 8001

Email: [cornellk@premfish.co.za](mailto:cornellk@premfish.co.za)

Transfer secretaries: Link Market Services South Africa (Pty) Ltd, Rennie House, 13th Floor, 19 Ameshoff Street,

Braamfontein, 2001

Auditors:

THAWT Inc and Crowe JHB (3 Sandown Valley Crescent, Sandown 3196, PO Box 652550, Benmore 2010, South Africa, Docex 12, Nelson Mandela Square)

Sponsor:

Vunani

Capital

