

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 PROVISIONAL REVIEWED CONDENSED CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 AUGUST 2020

Shareholders are hereby advised that Premier Fishing and Brands Limited's ("Premier") summarised reviewed provisional condensed consolidated results for the year ended 31 August 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

The salient features are as follows when the results for the year ended 31 August 2020 ("Current Period") are compared to the results for the year ended 31 August 2019 ("Previous Period"):

- Revenue of R449 million was achieved in the Current Period compared to R575 million in the Previous Period
- Gross profit of R152 million was achieved in the Current Period compared to R208 million in the Previous Period;
- Profit after tax of R6 million was achieved in the Current Period as compared to R58 million in the Previous Period;
- EBITDA (Earnings before interest, taxation, depreciation, and amortization) of R55 million was achieved in the Current Period from R99 million as in the Previous Period;
- Abalone farm production increased from 161 tons in the Prior Period to 229 tons in the Current Period.
- Current asset ratio of the Group stands at 4.5:1 as at 31 August 2020.

The Group had a reasonable year, given all the local and global challenges that the industry faced during the 2020 financial year under review:

- 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:

- Exceptionally low industry wide landings in the squid sector as compared to the previous fishing season.
- The decrease of 44% in the total allowable catch (“TAC”) of the West Coast Rock Lobster that was implemented the Prior Period remained unadjusted during the Current Period.
- The long period of protests and socio-political unrest in the Asian markets prior to COVID-19, more specifically, in Hong Kong, putting pressure on selling prices of abalone and hence affecting operating margins.
- Vessel maintenance and delays in the Hake division and South Coast lobster sectors also played its part in the low profitability for the group.
- We have also experienced the worst winter months this season compared to prior years, affecting our catch rate and cost.

As a result basic earnings per share (“EPS”) decreased to 1.54 cents per share for the year ended 31 August 2020 compared to 12.96 for the prior year ended 31 August 2019. Headline earnings per share (“HEPS”) decreased to 2.49 cents per share for the year ended 31 August 2020 compared to 11.06 for the year ended 31 August 2019.

Net asset value per share (“NAV”) for year ended 31 August 2020 is 296.23 cents per share compared to 307.48 cents per share for the year ended 31 August 2019.

DIVIDENDS

The Group’s policy is to declare approximately 50%-60% 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. Furthermore, the Group suffered the worst squid season, due to the resource being scarce. As a consequence of this uncertainty and the challenging year Premier has experienced, the Board of Directors believes that preservation of cash is paramount to ensure the sustainability of the Group in this current environment, and has such, made the decision not to declare a dividend for the year ending 31 August 2020.

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 financial statements for the year ended 31 August 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.

The condensed consolidated financial statements were reviewed by Thawt Inc. and Crowe Jhb Inc. whose unmodified review opinion has been issued on the reviewed condensed consolidated financial statements for the financial year ended 31 August 2020.

Please refer to the full announcement released on SENS for additional information. The full announcement is also available for viewing on Premier's website at www.premierfishing.co.za. In addition, electronic copies of the full announcement may be requested and obtained, at no charge during office hours from the head office of Premier, or from the sponsor at 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); *Brent Robertson (Chief financial Officer); #Rosemary Phindile Mosia; #Clifford Leonard van der Venter; #Salim Young; #Advocate Ngoako Ramatlhodi, #Sebenzile Patrick Mngconkola; #Ismet Amod; #Valentine Dzvova

*Executive directors

#Non-executive directors

23 November 2020

Company Secretary: Cornell Kannemeyer

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Email: 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)

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