



Premier Fishing & Brands Limited

The First Choice

PREMIER FISHING AND BRANDS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1998/018598/06)
Share Code: PFB, ISIN ZAE000238309
("Premier" or "the Company")


UPDATE ON ACQUISITION OF CONTROLLING INTEREST IN THE TALHADO GROUP

1. Shareholders are referred to the Company's SENS announcement on 18 October 2017 ("Original Transaction Announcement"), advising *inter alia* that the Company, through its subsidiary, Premier Fishing SA Proprietary Limited ("Premier"), has entered into a binding heads of agreement with Talhado Fishing Enterprises Proprietary Limited ("TFE") and Scofish Proprietary Limited ("Scofish"), the trustees for the time being of The Dino Moodaley Family Trust ("The DM Family Trust"), the trustees for the time being of The Sanbourne Trust ("The Sanbourne Trust") and the trustees for the time being of The Patrick Mbiko Family Trust ("The PM Family Trust") (together, the "Sellers"), in terms of which Premier will subscribe for a 52.54% controlling interest in TFE ("TFE Transaction").
2. In addition to the TFE Transaction, shareholders were advised that Premier intends to increase its exposure to the Talhado Group of companies through the acquisition of various minority interests in Rupestris Fishing Proprietary Limited, Sagittarius Fisheries Proprietary Limited, Robberg Sea Freeze Proprietary Limited, MB Fishing Ventures Proprietary Limited, Dazelle Traders Proprietary Limited and Manicwa Fishing Proprietary Limited ("Talhado Group Minority Sale"). The aforementioned companies, together with TFE form the "Talhado Group".
3. Shareholders are advised that, on 19 December 2017, Premier, TFE and the Sellers concluded a sale of shares agreement to record the full terms and conditions of the TFE Transaction ("TFE Transaction Agreement").
4. The terms of the TFE Transaction remain as set out in the Transaction Announcement, save in respect of the following:
 - 4.1. the Transaction Announcement indicated that Premier will subscribe for a 50.01% controlling interest in TFE. However, the structure of the TFE Transaction has been amended in that Premier will no longer subscribe for shares in TFE but will acquire 50.31% of the issued share capital of TFE from the Sellers in the following proportions:
 - 4.1.1. Scofish - 35.31%;
 - 4.1.2. The DM Family Trust - 5.01%;

- 4.1.3. The Sanbourne Trust - 5.01%;
- 4.1.4. The PM Family Trust - 5.01%; and
- 4.2. The purchase price in respect of the TFE Transaction has been reduced from R87 345 465 to R85 950 402.
5. In addition, shareholders are further advised that Premier has entered into sale of shares agreements with each Talhado Group company (other than TFE) ("Talhado Group Sale Agreements") in terms of which Premier effected the Talhado Group Minority Sale by acquiring, in aggregate, an additional 2.2% interest in the Talhado Group.
6. The purchase price in respect of the Talhado Group Minority Sale has been reduced from R19 326 330 to R15 072 410.
7. Accordingly, the aggregate purchase price in respect of the Talhado Group Minority Sale and the TFE Transaction is R102 022 811.
8. On implementation of the Talhado Group Minority Sale and the implementation of the TFE Transaction Agreement, Premier will hold an effective 52.51% controlling interest in the TFE Group.
9. The TFE Transaction remains subject to the following outstanding conditions precedent:
 - 9.1. Premier notifying TFE that it is satisfied with the results of a due diligence investigation;
 - 9.2. TFE declaring a dividend distribution;
 - 9.3. certain TFE senior management entering into new service contracts with TFE;
 - 9.4. TFE and each of Scofish and Premier concludes a management/marketing agreement in terms of which Scofish and Premier shall provide marketing/management services to TFE at an annual marketing/management fee of 1% of the annual export sales amount;
 - 9.5. approval of the TFE Transaction by the board of directors of each of Premier and TFE;
 - 9.6. Scofish authorises the sale of its shares in TFE to Premier, by way of a special resolution in terms of section 112 read with section 115 of the Companies Act No. 71 of 2008 ("Companies Act");
 - 9.7. the board of directors and shareholders (by way of a special resolution) authorise the adoption by TFE of a new memorandum of incorporation and shareholders agreement, on the terms and conditions and form and substance acceptable to Premier;

- 9.8. any necessary approval by the Competition Authorities in terms of the Competition Act No 89 of 1998;
 - 9.9. any necessary approval by the Takeover Regulation Panel in terms of the Companies Act;
 - 9.10. the shareholders agreement to be entered into between TFE, Premier and the Sellers has becoming unconditional in accordance with its terms; and
 - 9.11. the approval by the Minister of Agriculture, Forestry and Fisheries or his delegated authority for the TFE Transaction in terms of section 21 of the Marine Living Resources Act, No. 18 of 1998.
10. The conditions precedent in paragraph 5.1 and 5.11 of the Original Transaction Announcement have been removed.
 11. The Talhado Group Sale Agreements are subject to conditions precedent, relating primarily to:
 - 11.1. the TFE Transaction Agreement having been entered into and signed by each party thereto;
 - 11.2. the conditions precedent in the TFE Transaction Agreement having been fulfilled or waived within the timeframes specified therein;
 - 11.3. the shareholders of the respective target companies waiving any pre-emptive rights which they may have in respect of the sale shares;
 - 11.4. the board of directors of the respective target companies authorising the sale of their shares to Premier;
 - 11.5. the respective target companies declaring a dividend distribution; and
 - 11.6. the approval by the Minister of Agriculture, Forestry and Fisheries or his delegated authority for the TFE Transaction in terms of section 21 of the Marine Living Resources Act, No. 18 of 1998.
 12. The Sellers and the Talhado Group companies have provided Premier with warranties standard for a transaction of this nature.
 13. As previously announced, the TFE Transaction constitutes a Category 2 announcement in terms of the JSE Listings Requirements.

Cape Town
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