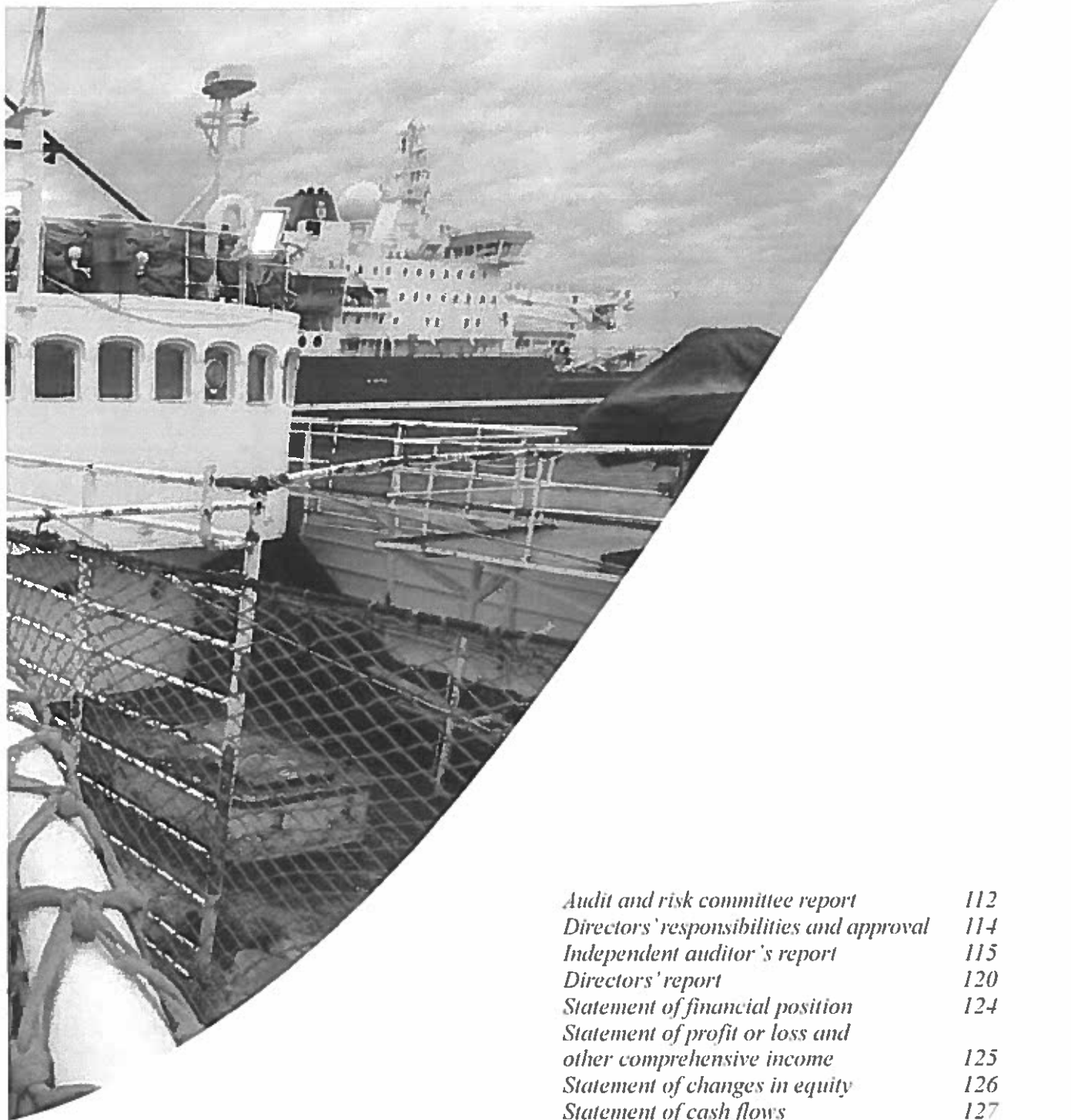




# ANNUAL FINANCIAL STATEMENTS



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# AUDIT AND RISK COMMITTEE REPORT

## 1. MEMBERS OF THE AUDIT COMMITTEE

The members of the audit committee are all independent non-executive directors of the Group and include:

Name	Qualification
Takudzwa Tanyaradzwa (Chairman)	BCom (Hons) CA(SA), ACMA, CGMA
Rosemary Phindile Mosia	PDM, BCTA, MBL
Arthur William Johnson	BA Law (UCT), BCom (UCT), CFA

The committee is satisfied that the members thereof have the required knowledge and experience as set out in section 94(5) of the Companies Act, 71 of 2008 (No. 71 of 2008) as amended, ("Companies Act") and Regulation 42 of the Companies Regulation, 2011. The nomination committee will meet shortly to start the process to reconstitute the committee.

## 2. MEETINGS HELD BY THE AUDIT COMMITTEE

The audit committee performs the duties laid upon it by section 94(7) of the Companies Act, 71 of 2008 (No. 71 of 2008) as amended, ("Companies Act") by holding meetings with the key roleplayers on a regular basis and by the unrestricted access granted to the external auditors. The nomination committee will meet shortly to start the process to reconstitute the committee.

## 3. EXTERNAL AUDITOR

The audit and risk committee nominated Grant Thornton Cape Inc. as the independent auditor and Mr I Hashim as the designated partner, who is a registered independent auditor, for appointment of the 2017 audit.

The committee satisfied itself through inquiry that the external auditors are independent as defined by the Companies Act of South Africa and as per the standards stipulated by the auditing profession. Requisite assurance was sought and provided by the Companies Act of South Africa that internal governance processes within the firm support and demonstrate the claim to independence.

The audit and risk committee in consultation with executive management, agreed to the terms of engagement. The audit fee for the external audit was considered and approved taking into consideration such factors as the timing of the audit, the extent of the work required and the scope of the audit. The audit and risk committee considered and pre-approved all non-audit services provided by the external auditors and the fees relative there to so as to ensure the independence of the external auditors is maintained.

## 4. ANNUAL FINANCIAL STATEMENTS

Following the review of the annual financial statements the audit committee recommend board approval thereof.

## 5. EXPERTISE AND EXPERIENCE OF THE CHIEF FINANCIAL OFFICER

As required by the JSE Listings Requirement 3.84(h), the audit and risk committee assessed the competence and performance of the chief financial officer and is satisfied that he has the appropriate expertise and experience. The committee is satisfied with the expertise and adequacy of the resources within the finance department and the experience of the finance staff.

## 6. INTERNAL AUDIT AND OBJECTIVE AND SCOPE OF THE AUDIT

For further information on the activities of the internal audit function and the objectives and scope of the audit conducted during the year under review, kindly refer to the report of the audit and risk committee.

On behalf of the audit committee



**TAKUDZWA TANYARADZWA HOVE**  
Chairman Audit and Risk committee

24 October 2017

# COMPANY SECRETARY CERTIFICATION

## DECLARATION BY THE COMPANY SECRETARY

I declare that, to the best of my knowledge, the company has lodged all such returns and notices as are required of a public company in terms of the Companies Act, and that such returns and notices are true, correct and up to date.



per **NOBULUNGISA MBALISELI**  
*Company secretary*

24 October 2017

# DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required in terms of the Companies Act, (No. 71 of 2008 as amended), ("Companies Act") to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Group and Company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The SAICA financial reporting guides issued by the Accounting Practice committee, the listing requirements of the JSE Ltd and Companies Act. The external auditors are engaged to express an independent opinion on the annual financial statements.

The directors and company acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and Company and all employees are required to maintain the highest ethical standards in ensuring the Group and Company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group and Company. While operating risk cannot be fully eliminated, the Group and Company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Group and Company's cash flow forecast for the year to 31 August 2018 and, in light of this review and the current financial position, they are satisfied that the Group and the Company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Group and Company's annual financial statements and their report is presented on pages 115 to 118.

The financial statements set out on pages 122 to 165, which have been prepared on the going concern basis, were approved by the board of directors on 24 October 2017 and were signed on their behalf by:



**MOGAMAT SAMIR SABAN**  
Director



**KHALID ABDULLA**  
Director

## INDEPENDENT AUDITOR'S REPORT

To the shareholders of Premier Fishing and Brands Limited Group

### *Audit report on the consolidated financial statements*

#### OPINION

We have audited the consolidated financial statements of Premier Fishing and Brands Limited (the group) set out on pages 119 to 165, which comprise the statement of financial position as at 31 August 2017, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated and financial position of the group as at 31 August 2017, and its consolidated and financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

#### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

# INDEPENDENT AUDITOR'S REPORT continued

To the shareholders of Premier Fishing and Brands Limited Group

Key audit matter	How our audit addressed the key audit matter
<b>Residual values of vessels (Consolidated financial statements)</b>	
<p>The residual values are reviewed annually by management.</p> <p>In determining the residual value, management applies judgement in determining the estimated amount that entity would currently obtain from the disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.</p> <p>Accordingly, the residual values of vessels was considered to be a key audit matter, due to the significance of the estimates and the level of judgement applied by management.</p> <p>The disclosures relating to vessels are contained in note 1 (accounting policies) and note 3.</p>	<p>Our audit procedures included an assessment of the reasonability of the residual values, namely:</p> <ul style="list-style-type: none"> <li>• We have inspected a management resolution to confirm that management have reviewed the residual values.</li> <li>• We have discussed the reasonableness of the residual values used with management, as well as with managements' expert, and</li> <li>• We have obtained an experts assessment of the residual values, confirming that the residual values are reasonable.</li> </ul>
<b>Physical quantities of Biological Assets (Consolidated financial statements)</b>	
<p>Biological assets comprise of live abalone and are held in various weight categories. It is impractical to count all the abalone on a given day, due to factors such as the delicate nature of the abalone and the quantity of abalone held at the farm.</p> <p>As such, the quantities are determined through a process known as grading, which involves the periodic process of categorising systematic batches of abalone across the farm. Through this continual process and the use of industry growth algorithms, the number and average weight of the abalone is determined.</p> <p>Physical quantities of biological assets was a key audit matter due to the significant contribution to the consolidated results of the Group.</p> <p>The disclosures relating to biological assets are contained in note 1 (accounting policies) and notes 13 and 35 (financial disclosures).</p>	<p>In assessing the quantity of the biological assets, we obtained an understanding of the overall control environment as well as the processes which have been implemented by management and which have been overseen by those charged with governance.</p> <p>Audit procedures included the attendance of the periodic grading on site, in order to observe the appropriateness of controls implemented in applying sampling methodologies, as well as to confirm the adherence to appropriate biological inventory processes.</p> <p>Reliance is placed on the inventory systems utilised by the client.</p>
<b>Impairment of Fishmeal plant (Consolidated financial statements)</b>	
<p>The Fishmeal plant, located at Saldanha, is carried at cost less accumulated depreciation and accumulated impairment.</p> <p>In accordance with IAS 36 - impairment of assets, management annually assess whether there is any indication that the plant may be impaired.</p> <p>In assessing whether there is an indication of impairment, management applied judgement in:</p> <ul style="list-style-type: none"> <li>• Determining whether any impairment indicators exists, and</li> <li>• Determining the recoverable amount, being the higher of the assets fair value less costs to sell and its value in use.</li> </ul> <p>Accordingly, the impairment assessment of the fishmeal plant was considered to be a key audit matter, due to the quantitative significance and the level of judgement involved.</p> <p>The disclosures relating to property, plant and equipment are contained in note 1 (accounting policies) and notes 3.</p>	<p>In assessing the impairment assessment performed by management, we performed the following:</p> <ul style="list-style-type: none"> <li>• Physically inspected the fishmeal plant.</li> <li>• Discussed with management whether any impairment indication exists.</li> <li>• Discussed with management the method in which management has estimated the recoverable amount, and</li> <li>• Obtained a representation from management confirming that the plant is not impaired.</li> </ul> <p>Reviewed the method and key inputs used by management in determining the estimated recoverable amount.</p> <p>We have also obtained an independent third party quotation, determining a replacement cost of the plant in its current location and condition. We have assessed this quotation by:</p> <ul style="list-style-type: none"> <li>• Discussing the method used in determining the value of the plant with the third party service provider.</li> <li>• Confirming that the third party is independent.</li> <li>• Assessed the experience and expertise of the service provider.</li> </ul>

## OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. Other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and/or the company or to cease operations, or have no realistic alternative but to do so.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 group's and the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and/or the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



# INDEPENDENT AUDITOR'S REPORT continued

To the shareholders of Premier Fishing and Brands Limited Group

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Grant Thornton Cape Incorporated has been the auditor of Premier Fishing and Brands Limited for 20 years.



**GRANT THORNTON CAPE INC.**

**Registered Auditors**

Registration number: 2010/016204/21

Imtiaaz Hashim

**Partner**

Registered Auditor

Chartered Accountant (SA)

24 October 2017

6th Floor, Grant Thornton House,

123 Hertzog Boulevard, Foreshore

Cape Town

# DIRECTORS' REPORT

The directors have pleasure in submitting their report on the annual financial statements of Premier Fishing and Brands Limited and its subsidiaries ("the Group") for the year ended 31 August 2017.

## 1. NATURE OF BUSINESS

Premier Fishing and Brands Limited ("PFB") is an investment entity incorporated in South Africa with interests in the fishing industry. The Group operates in South Africa and is engaged in commercial harvesting, processing and marketing of marine resources. The Group's principal operations are catching, processing and marketing of pelagic (pilchards and anchovy), west coast rock lobster, south coast rock lobster, squid and hake. The Group also earns rental income by renting out its warehousing facilities through which it offers cold and dry storage for clients. The Group is also involved in aquaculture (abalone farming) as well as the manufacture of environmental friendly fertiliser products (organic liquid fertiliser).

During the current year, PFB was listed on the main board of the Johannesburg Stock Exchange ("JSE") on 2 March 2017. On 2 March 2017, an additional 117 000 000 ordinary shares were issued to the public in a private placement as part of the Group's capital raising and the listing of the Company on the main board of the Johannesburg Stock Exchange (JSE).

## 2. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The consolidated annual financial statements have been prepared in accordance with International Financial Reporting Standards, the SAICA financial reporting guides issued by the Accounting Practices committee, the Listing Requirements of the JSE Limited and the Companies Act. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the Group are set out in these consolidated and separate annual financial statements. Refer to note 32 - Group Segmental Analysis for a detailed breakdown of the proportion of net income or loss attributable to the various divisions in the Group.

## 3. CORPORATE GOVERNANCE

The directors subscribe to the principles incorporated in King IV™ Report on Corporate Governance™ for South Africa 2016 (King IV™) and save as disclosed in the corporate governance review, have complied as far as practical with principles contained therein throughout the reporting period. The directors recognise the need to conduct the Company with integrity and in accordance with generally accepted corporate practices. The Board and the Board committees have reviewed the Group and Company's corporate governance policies and procedures in the current year and no issues were identified.

## 4. GOING CONCERN

The directors believe that the Group and Company has adequate financial resources to continue in operation for the foreseeable future and accordingly the Group and Company annual financial statements have been prepared on a going-concern basis. The directors have satisfied themselves that the Group and Company 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 material changes that may adversely impact the Group and Company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Group and Company.

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

## 5. EVENTS AFTER THE REPORTING PERIOD

The Group, through its subsidiary Premier Fishing SA (Pty) Ltd, has entered into a binding Heads of Agreement with Talhado Fishing Enterprises (Pty) Ltd to acquire a 50.01% stake in their business. The effective date of the transaction is 30 November 2017 subject to the conditions precedent in the Heads of Agreement. The business is one of the largest squid players in the South African market and the acquisition fits in line with our growth strategy to expand organically or through acquisitive growth. This acquisition will also increase the diversification of our product basket.

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

# DIRECTORS' REPORT continued

## 6. SHARE CAPITAL

Refer to note 15 of the consolidated annual financial statements for detail of the movement in authorised and issued share capital.

## 7. DIVIDENDS

A final dividend of 15 cents per share was approved by the board of directors on 19 October 2017 in South African Rand in respect of the year ended 31 August 2017. The dividend is payable on 5 February 2018 to shareholders recorded in the register of the Company at close of business on 30 January 2018.

## 8. REPORT OF THE AUDIT AND RISK COMMITTEE

The report of the audit and risk committee, as required in section 94(7)(f) of the Companies Act, is set out on page 112 of these financial statements.

## 9. BOARD EVALUATION OF THE AUDIT AND RISK COMMITTEE

The board of directors believes that the committee has satisfied its responsibilities for the year in compliance with the terms of reference of the Companies Act.

## 10. DIRECTORATE

The directors in office at the date of this report are as follows:

Director	Office	Designation	Date of appointment
MS Saban	Chief executive officer	Executive	1 February 2017
IT Bundo	Chief financial officer	Executive	1 February 2017
R Isaacs	Sales and marketing director	Executive	1 February 2017
Prof VC Mehana	Chairman	Non-executive	1 February 2017
K Abdulla	Deputy Chairman	Non-executive	1 December 2008
S Young	-	Non-executive	1 February 2017
CF Hendricks	-	Non-executive	6 July 2009
AB Amod	-	Non-executive	13 January 2014
TT Hove	-	Non-executive	1 February 2017
RP Mosia	-	Non-executive	1 February 2017
CL Van der Venter	-	Non-executive	1 February 2017
AW Johnson	-	Non-executive	1 February 2017
LS Naidoo	-	Non-executive	1 February 2017
FEC Brand	-	Non-executive	1 February 2017

## 11. LIQUIDITY AND SOLVENCY

The directors have performed the required liquidity and solvency tests required by the Companies Act as amended for the Group. The directors are satisfied that the Group is solvent and have no reason to believe that the business will not be a going concern in the year ahead.

## 12. DIRECTORS' INTERESTS IN SHARES

### Interest in share capital

Directors

	Direct beneficial	Direct non-beneficial	Indirect beneficial	Indirect non-beneficial	Total percentage
Salim Young	50 000	-	-	-	0,01%
Clifford Leonard van der Venter	33 000	-	-	-	0,01%
<b>Total</b>	<b>83 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0,02%</b>

These have been no changes in the directors' interest in shares between 1 September 2016 and the date of this report.

No director held shares in the Company in the prior year.

### 13. INTERESTS IN SUBSIDIARIES, ASSOCIATES AND JOINT ARRANGEMENTS

Details of material interests in subsidiary companies, associates and joint arrangements are presented in the consolidated annual financial statements in notes 6 and 7. There were no significant acquisitions or divestitures during the year ended 31 August 2017.

### 14. ULTIMATE HOLDING COMPANY

The Group's ultimate holding company is African Equity Empowerment Investments Limited which holds 55% (2016: 100%) of the Group's equity. African Equity Empowerment Investments Limited is listed on the JSE Limited.

### 15. SECRETARY

The Company Secretary is Miss N Mbaliseli.

Postal address PO Box 181  
Waterfont  
Cape Town  
8000

Business address: Quay 7  
East Pier  
V & A Waterfront  
Cape Town  
8001

### 16. COMPANY SECRETARY

As required by JSE Listings Requirement 3.84(i), the Board has satisfied itself that the Company Secretary has the appropriate expertise, competence and experience. The company secretary is accountable to the Board and the following duties, among other things, were carried out:

- guidance to the directors in terms of their duties, responsibilities, powers, training and induction of the responsibilities and liabilities under the Companies Act;
- making the Board aware of any law relevant to and/or affecting the Company;
- preparation of Board packs and recording of proper detailed minutes of meetings;
- ensuring proper and orderly conduct at all Board, committee and annual general meetings;
- disclosure of corporate actions of SENS announcements and directors' dealings in securities;
- preparation and timeous delivery of the integrated report and annual general meeting notice and proxy to shareholders;
- compliance with JSE Listings Requirements and the Companies Act; and
- updated Board policies, Board charters in compliance with statutory, regulatory and legislative requirements

All directors have access to the advice and services of the company secretary. The Board considered the competence, qualifications and experience of the company secretary and is satisfied that they are appropriate. This was concluded after due assessment following a review by the remuneration committee of the Company regarding the Company Secretary's qualifications, experience and performance.

### 17. AUDITORS

The audit committee recommend that Grant Thornton Cape Inc. continue in office as the independent external auditors for the company and its subsidiaries in accordance with section 90 of the Companies Act.

# PREMIER FISHING AND BRANDS LIMITED GROUP

## STATEMENT OF FINANCIAL POSITION

as at 31 August 2017

	Notes	2017 R'000	2016 R'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	130 107	124 596
Goodwill	4	18 165	18 165
Intangible assets	5	62	41
Loans to Group companies	8	81 758	78 396
Deferred tax	9	65	64
		<b>230 157</b>	<b>221 262</b>
<b>Current assets</b>			
Inventories	10	43 083	42 379
Trade and other receivables	11	89 620	48 270
Other financial assets	12	1 707	1 065
Current tax receivable		154	154
Biological assets	13	54 323	48 169
Cash and cash equivalents	14	541 919	23 516
		<b>730 806</b>	<b>163 553</b>
<b>Total assets</b>		<b>960 963</b>	<b>384 815</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Stated capital	15	507 517	-
Reserves	16	8 014	8 014
Retained income		255 566	217 466
		<b>771 097</b>	<b>225 480</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Other financial liabilities	17	7 651	10 764
Operating lease liability		1 243	2 065
Post-employment medical costs	18	1 075	1 153
Deferred tax	9	72 341	71 889
		<b>82 310</b>	<b>85 871</b>
<b>Current liabilities</b>			
Trade and other payables	19	55 455	53 243
Loans from Group companies	8	-	1 478
Other financial liabilities	17	3 419	3 280
Current tax payable	28	21 752	8 119
Provisions	20	8 944	7 344
Bank overdraft	14	17 986	-
		<b>107 556</b>	<b>73 464</b>
<b>Total liabilities</b>		<b>189 866</b>	<b>159 335</b>
<b>Total equity and liabilities</b>		<b>960 963</b>	<b>384 815</b>

# PREMIER FISHING AND BRANDS LIMITED GROUP

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 August 2017

	Notes	2017 R'000	2016 R'000
Revenue	21	<b>410 733</b>	401 692
Cost of sales		<b>(230 586)</b>	(239 098)
<b>Gross profit</b>		<b>180 147</b>	162 594
Other operating income		<b>1 249</b>	2 647
Other operating expenses		<b>(116 245)</b>	(100 085)
<b>Operating profit</b>	23	<b>65 151</b>	65 156
Investment revenue	24	<b>33 015</b>	11 349
Finance costs	25	<b>(3 323)</b>	(2 986)
<b>Profit before taxation</b>		<b>94 843</b>	73 519
Taxation	26	<b>(26 743)</b>	(21 411)
<b>Profit for the year</b>		<b>68 100</b>	52 108
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>68 100</b>	52 108
<b>Earnings per share information</b>			
Basic earnings per share (cents)	30	<b>33,77</b>	36,44
Diluted earnings per share (cents)	30	<b>33,77</b>	36,44

# PREMIER FISHING AND BRANDS LIMITED GROUP

## STATEMENT OF CHANGES IN EQUITY

for the year ended 31 August 2017

	Share capital R'000	Reserves R'000	Retained income R'000	Total equity R'000
<b>Balance at 1 September 2015</b>	-	8 014	189 358	197 372
Profit for the year	-	-	52 108	52 108
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	52 108	52 108
Dividends	-	-	(24 000)	(24 000)
<b>Total contributions by and distributions to owners of Company recognised directly in equity</b>	-	-	(24 000)	(24 000)
<b>Balance at 1 September 2016</b>	-	8 014	217 466	225 480
Profit for the year	-	-	68 100	68 100
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	68 100	68 100
Issue of shares	526 500	-	-	526 500
Share issue costs	(18 983)	-	-	(18 983)
Dividends	-	-	(30 000)	(30 000)
<b>Total contributions by and distributions to owners of Company recognised directly in equity</b>	507 517	-	(30 000)	477 517
<b>Balance at 31 August 2017</b>	<b>507 517</b>	<b>8 014</b>	<b>255 566</b>	<b>771 097</b>
Notes	15	16		

# PREMIER FISHING AND BRANDS LIMITED GROUP

## STATEMENT OF CASH FLOWS

for the year ended 31 August 2017

	Notes	2017 R'000	2016 R'000
<b>Cash flows from operating activities</b>			
Cash receipts from customers		376 255	402 492
Cash paid to suppliers and employees		(336 161)	(334 111)
Cash generated from operations	27	40 094	68 381
Interest income		17 446	1 357
Finance costs		(3 323)	(2 830)
Tax paid	28	(12 659)	(8 876)
<b>Net cash from operating activities</b>		<b>41 558</b>	<b>58 032</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment to sustain operations	3	(14 066)	(9 295)
Purchase of property, plant and equipment to expand operations	3	(7 995)	-
Purchase of intangible assets	5	(27)	-
Loans received from Group companies		-	10 000
Loans advanced to Group companies		(21 485)	(42 020)
Loans to Group companies repaid		-	10 000
Loans from Group companies repaid		(1 478)	(8 678)
Repayment of financial assets		-	42
Financial assets advanced		(641)	-
<b>Net cash from investing activities</b>		<b>(45 692)</b>	<b>(39 951)</b>
<b>Cash flows from financing activities</b>			
Proceeds on share issue	15	526 500	-
Share issue costs	15	(18 983)	-
Proceeds from other financial liabilities		-	12 548
Repayment of other financial liabilities		(2 966)	(2 686)
<b>Net cash from financing activities</b>		<b>504 551</b>	<b>9 862</b>
<b>Total cash movement for the year</b>		<b>500 417</b>	<b>27 943</b>
Cash at the beginning of the year		23 516	(4 427)
<b>Total cash at end of the year</b>	14	<b>523 933</b>	<b>23 516</b>



# PREMIER FISHING AND BRANDS LIMITED GROUP

## ACCOUNTING POLICIES

for the year ended 31 August 2017

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 Basis of preparation

The consolidated and separate annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations committee ("IFRIC") interpretations issued and effective at the time of preparing these annual financial statements and the Companies Act 71 of 2008 (No. 71 of 2008) as amended, ("Companies Act") of South Africa, as amended.

The annual financial statements have been prepared on the historical cost basis, except where otherwise stated, and incorporate the principal accounting policies set out below.

These accounting policies are consistent with the previous period.

#### 1.2 Consolidation

##### Basis of consolidation

The Group has control of an investee when it has power over the investee; it is exposed to or has rights to variable returns from involvement with the investee; and it has the ability to use its power over the investee to affect the amount of the investor's returns.

The results of subsidiaries are included in the consolidated annual financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the annual financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

All inter-company transactions, balances, and unrealised gains on transactions between Group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

##### Business combinations

The Group accounts for business combinations using the acquisition method of accounting.

Goodwill is determined as the fair value of the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree.

Goodwill is not amortised but is tested on an annual basis for impairment.

##### Interests in joint ventures

A joint venture is a contractual agreement whereby the Group and other parties undertake an economic activity that is subject to joint control, that is when the strategic financial and operating policy decisions relating to the activities of the joint venture require the unanimous consent of the parties sharing control.

##### Jointly controlled operations

In respect of its interests in jointly controlled operations, the Group recognises in its annual financial statements:

- the assets that it controls and the liabilities that it incurs; and
- the expenses that it incurs and its share of the income that it earns from the sale of goods or services by the joint operation.

#### 1.3 Investments in subsidiaries

##### Separate Financial Statements

In the company's separate annual financial statements, investments in subsidiaries are carried at fair value through profit or loss.

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

#### 1.4 Significant judgements and sources of estimation uncertainty

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts represented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. Significant judgements include:

##### Key sources of estimation uncertainty

###### Trade receivables and loans and receivables

The Group assesses its trade receivables and loans and receivables for impairment at each statement of financial position date. In determining whether an impairment loss should be recorded in the statement of comprehensive

## 1. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

### 1.4 Significant judgements and sources of estimation uncertainty continued

income, the Group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired.

#### **Impairment testing**

Assets are subject to regular impairment reviews as required. Impairments are measured at the difference between the carrying value of a particular asset and the recoverable amount which is the greater of the fair value less cost to sell or value-in-use of the asset. Impairments are recorded in the statement of comprehensive income in the period in which they occur. The Group's policy in relation to impairment testing in respect of goodwill is detailed below.

The recoverable amount of the cash-generating units ("CGU") has been determined based on a value-in-use calculation. Key assumptions applied to determine the recoverable amount of the CGU, using the value-in-use calculation relating to sales growth rates, working capital requirements and capital expenditure. Cash flow projections were based on historical information and financial budgets approved by senior management covering a five-year period.

Assumptions applied for impairment testing of goodwill:

Risk-free rate – R207 Government Bonds

Beta – 1.01 to 1.10

Discount rate – 18.16% to 22.10%.

#### **Property, plant and equipment**

The Group assesses the useful lives, depreciation rates and residual values of these assets at each statement of financial position date. These estimates take cognisance of current market and trading conditions for the Group's specific assets. In addition, the useful life estimates take into account the risk of obsolescence due to advances in technology.

#### **Provisions**

At each statement of financial position date management estimates the leave pay provision based on the outstanding number of leave days due to employees applied to the cost of employment. Management also estimates the bonus provision based on the number of employees that would have achieved their key performance indicators. Other provisions are estimated based on the information available and past experience.

#### **Intangible assets**

The Group assesses the useful lives, amortisation rates and residual values at each reporting date. This judgement is used on the market and trading conditions for the Group, management's expectations and strategy for the use of the intangible, as well as by performance indicators, sales growth rate and operating margins of CGU which use the intangible.

#### **Biological assets**

Abalone is weighed and graded into specific different size categories at regular intervals. A predicted growth rate for the abalone is determined based on the actual weight of the abalone which has been weighed and graded at the birth date of the abalone. As at the reporting date, a combination of graded figures and predicted figures (those awaiting their latest grade interval) is then used to determine the weight and graded size categories of the abalone. The value of the stock is then determined based on the market value of each grading size category for the abalone. All selling costs are excluded from fair values.

#### **Investment in subsidiaries**

##### **Valuation Method**

An entity discounted cash flow (DCF) valuation technique is used for all unlisted investments that are held at fair value and for which there is no active market. Price/earnings valuations are not as accurate and are thus only used as a secondary review.

##### **Application of methodology**

Free cash flow (FCF) forecasts are prepared year-by-year for a minimum of a three-year period and for high-growth companies year-by-year forecasts for a period of five to ten-year period are prepared, where after a terminal value will be calculated.

##### **Terminal value growth rates**

When calculating the terminal value, growth rates in excess of the current inflation rate are not utilised. Real growth beyond ten years is not likely, and even if likely is difficult to forecast with any certainty.

# PREMIER FISHING AND BRANDS LIMITED GROUP

## ACCOUNTING POLICIES continued

for the year ended 31 August 2017

### Terminal values

When calculating the terminal value, care is taken regarding the level of net capital investment assumed. This is assumed to be lower than during the specific forecast period for high growth companies. For mature, stable companies net capital investment during the specific forecast period and beyond is assumed to be the same.

### Discount rate

Free cash flows are discounted at the company's weighted average cost of capital (WACC), being the weighted cost of equity (as determined using the capital asset pricing model (CAPM)) and the weighted after-tax cost of debt and/or any other non-equity form of financing.

### Risk-free rate

The risk-free rate utilised is the current yield on R207 government bonds. These yields were obtained from the financial press at the time of preparing the valuations.

### Beta

The equally-weighted average of the relevant industry betas together with professional judgement is used. The betas are calculated over a five-year period (where possible). This is assumed to provide a fair estimate of the Group's recent market risk.

### Market risk premium

A market risk premium was utilised in all valuations.

### Value of equity

The value of equity will be equal to the free cash flow value of the entity, less the statement of financial position values (at valuation date) of debt and any other form of financing, plus any cash on hand (per the statement of financial position) which is in excess of normal working capital requirements.

### Fair value determination

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting period.

Discounted cash flows are used to determine fair value for the investments in subsidiary companies. The use of a discounted cash flow analysis requires the estimation of a number of significant components, including the future expected cash flows and the weighted average cost of capital used to perform the discounting. Many of these factors may have a material impact on the valuation.

## 1.5 Property, plant and equipment

Property, plant and equipment are tangible assets which the Group holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset 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.

Property, plant and equipment is initially measured at cost.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Land	Indefinite
Buildings	5 to 40 years
Leasehold property	5 to 40 years
Plant and machinery	2 to 30 years
Furniture and fixtures	2 to 12 years
Motor vehicles	2 to 5 years
Office equipment	3 to 20 years
Computer equipment	1 to 3 years
Vessels	3 to 32 years
Assets under construction	N/A

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

## 1. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

### 1.6 Biological assets

An entity shall recognise a biological asset or agricultural produce when, and only when:

- the entity controls the asset as a result of past events, and
- the fair value or cost of the asset can be measured reliably.

Biological assets consist of abalone cultivated in an aquaculture farm and are measured at their fair value less estimated point of sell costs.

Any gains or losses arising on initial recognition or from subsequent change in fair value less estimated point of sell costs is included in profit or loss for the period in which it arises.

### 1.7 Intangible assets

Intangible assets which are separately acquired are initially recognised at cost.

Intangible assets with a finite useful life are stated at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Useful life
Patents and trademarks	4 to 15 years
Fishing quotas	4 years

### 1.8 Financial instruments

#### Initial recognition and measurement

The Group classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

The Group's financial assets are investments, loans receivables, trade and other receivables and bank and cash balances. The Group's principal financial liabilities are interest-bearing and non-interest-bearing loans payable, trade and other payables and bank overdrafts.

Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes party to the contractual provisions of the instrument.

#### Loans to (from) Group companies

These include loans to and from holding companies, fellow subsidiaries, subsidiaries and joint ventures are recognised initially at fair value plus direct transaction costs.

Subsequently these loans and receivables are measured at amortised cost using the effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts.

On loans receivable an impairment loss is recognised in profit or loss when there is objective evidence that it is impaired. The impairment is measured as the difference between the loan's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Impairment losses are reversed in subsequent periods when an increase in the recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the loan at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

Loans from Group companies are measured at amortised cost.

#### Trade and other receivables

Trade receivables are measured at initial recognition at fair value plus transaction costs, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Trade and other receivables are classified as loans and receivables.

#### Trade and other payables

Trade payables are initially measured at fair value plus transactions costs, and are subsequently measured at amortised cost, using the effective interest rate method.

# PREMIER FISHING AND BRANDS LIMITED GROUP

## ACCOUNTING POLICIES continued

for the year ended 31 August 2017

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at amortised cost.

### **Bank overdraft and borrowings**

Bank overdrafts and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

## **1.9 Tax**

### **Current tax assets and liabilities**

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

### **Deferred tax assets and liabilities**

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

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 by the end of the reporting period.

### **Tax expenses**

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income,
- or a business combination.

## **1.10 Leases**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

### **Operating leases – lessor**

Operating lease income is recognised as an income on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

### **Operating leases – lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Any contingent rents are expensed in the period they are incurred.

## **1.11 Inventories**

Inventories are measured at the lower of cost and net realisable value on the first-in-first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Obsolete, redundant and slow moving items are identified on a regular basis and are written down to their estimated net realisable values.

## 1. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

### 1.12 Impairment of assets

The Group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value-in-use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the CGU, or groups of CGU, that are expected to benefit from the synergies of the combination.

An impairment loss is recognised for CGU if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets of the unit in the following order:

- first, to reduce the carrying amount of any goodwill allocated to the cash-generating unit; and
- then, to the other assets of the unit, *pro rata* on the basis of the carrying amount of each asset in the unit.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

### 1.13 Employee benefits

#### Post-employment medical aid cost

The Group has an obligation to pay the medical aid cost of retired employees. The entitlement of these benefits was based on the employees remaining in service up to retirement age and the completion of a minimum service period.

The present value of the liability incurred is calculated based on remaining contributions to the medical aid fund and is included in the calculation of profit or loss for the period in which the amounts are paid.

Contributions to the medical aid fund increases annually, based on current market trends.

### 1.14 Provisions

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

# PREMIER FISHING AND BRANDS LIMITED GROUP

## ACCOUNTING POLICIES continued

for the year ended 31 August 2017

### 1.15 Revenue

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably

Rental income relates to revenue earned from the letting out of the Group's cold storage, dry storage and warehousing facilities. This is recognised over the period of the relevant rental agreements entered into with its customers.

Service revenue relates to processing, marketing and distribution services offered to the Group's outside quota holders. When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest revenue comprises of interest earned on bank accounts and interest earned on loans to Group companies. Interest revenue is recognised, in profit or loss, using the effective interest rate method.

Quota usage revenue is recognised on a straight line basis over the term of the agreement.

Dividend Income is recognised when the shareholder's right to receive payment is established.

### 1.16 Translation of foreign currencies

#### Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

## 1. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

### 1.17 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

### 1.18 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

Contract costs comprise:

- costs that relate directly to the specific contract;
- costs that are attributable to contract activity in general and can be allocated to the contract; and
- such other costs as are specifically chargeable to the customer under the terms of the contract.

### 1.19 Borrowing costs

All other borrowing costs are recognised as an expense in the period in which they are incurred.

### 1.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive management.

Segment results include revenue and expenses directly attributable to a segment and the relevant portion of enterprise revenue and expenses that can be allocated on a reasonable basis to a segment, whether from external transactions with other Group segments. Segment results are determined before any adjustments for minority interests.

Segment assets and liabilities comprise the operating assets and liabilities that are directly attributable to the segment or can be allocated to the segment on a reasonable basis. Segment assets are determined after deducting related allowances that are reported as direct offsets in the Group's statement of financial position.

Capital expenditure represents the total costs incurred during the period to acquire segment assets that are expected to be used during more than one period, namely, property, plant and equipment, and intangible assets other than goodwill.

Business segments comprise the following which is aggregated upon consolidation:

- Fishing:        - Lobster  
                  - Pelagics  
                  - Hake  
                  - Squid
- Aquaculture: - Abalone  
                  - Seagro
- Services:        - Processing and marketing  
                  - Cold storage.

Refer to note 32 for the financial detail of how each operating segment has performed during the year under review.



# PREMIER FISHING AND BRANDS LIMITED GROUP NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2017

## 2. NEW STANDARDS AND INTERPRETATIONS

### 2.1 Standards and interpretations effective and not adopted in the current year

In the current year, the Group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Amendment to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016	Not applicable
• Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016	Not material
• Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016	Not applicable
• Amendment to IAS 27: Equity Method in Separate Financial Statements	1 January 2016	Not applicable
• Amendments to IFRS 10, 12 and IAS 28: Investment Entities. Applying the consolidation exemption.	1 January 2016	Not applicable
• Amendments to IAS 16 and IAS 41: Agriculture: Bearer Plants	1 January 2016	Not applicable
• Amendment to IFRS 5: Non-current Assets Held for Sale and Discontinued Operations: Annual Improvements project	1 January 2016	Not applicable
• Amendment to IFRS 7: Financial Instruments: Disclosures: Annual Improvements project	1 January 2016	Not material
• Disclosure Initiative: Amendment to IAS 1: Presentation of Financial Statements	1 January 2016	Not material
• Amendment to IAS 34: Interim Financial Reporting: Annual Improvements project	1 January 2016	Not applicable

### 2.2 Standards and interpretations not yet effective

Standard/Interpretation:	Effective date: Years beginning on or after	Expected impact:
• IFRS 16 Leases	1 January 2019	Not material
• IFRS 15 Revenue from Contracts with Customers	1 January 2017	Impact is currently being assessed
• IFRS 9 Financial Instruments	1 January 2018	Not material
• Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2019	Impact is currently being assessed
• Amendments to IFRS 15: Clarifications to IFRS 15 Revenue from Contracts with Customers	1 January 2018	Impact is currently being assessed
• Amendments to IFRS 2: Classification and Measurement of Share-based Payment Transactions	1 January 2018	Not material
• Amendments to IFRS 4: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts	1 January 2018	Not applicable
• Amendments to IAS 7: Disclosure initiative	1 January 2017	Not material
• Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017	Not material
• IFRIC 23: Uncertainty over income tax treatments	1 January 2019	Not material

### 3. PROPERTY, PLANT AND EQUIPMENT

	2017			2016		
	Cost R'000	Accumulated depreciation R'000	Carrying value R'000	Cost R'000	Accumulated depreciation R'000	Carrying value R'000
Land	2 632	-	2 632	2 632	-	2 632
Buildings	3 765	(1 185)	2 580	3 133	(1 031)	2 102
Leasehold property	15 594	(12 367)	3 227	15 594	(11 966)	3 628
Plant and machinery	137 455	(98 285)	39 170	135 282	(94 299)	40 983
Furniture and fixtures	2 385	(1 956)	429	2 367	(1 906)	461
Motor vehicles	4 474	(3 508)	966	4 235	(3 243)	992
Office equipment	717	(599)	118	714	(574)	140
Computer equipment	2 461	(1 970)	491	2 229	(1 720)	509
Vessels	175 684	(99 709)	75 975	171 174	(98 025)	73 149
Assets under construction	4 519	-	4 519	-	-	-
<b>Total</b>	<b>349 686</b>	<b>(219 579)</b>	<b>130 107</b>	<b>337 360</b>	<b>(212 764)</b>	<b>124 596</b>

#### Reconciliation of property, plant and equipment

2017	Opening balances R'000	Additions R'000	Disposals R'000	Depreciation R'000	Total R'000
	Land	2 632	-	-	-
Buildings	2 102	632	-	(154)	2 580
Leasehold property	3 628	-	-	(401)	3 227
Plant and machinery	40 983	2 216	(3)	(4 026)	39 170
Furniture and fixtures	461	18	-	(50)	429
Motor vehicles	992	240	-	(266)	966
Office equipment	140	8	(2)	(28)	118
Computer equipment	509	250	(4)	(264)	491
Vessels	73 149	14 178	(2 286)	(9 066)	75 975
Assets under construction	-	4 519	-	-	4 519
	<b>124 596</b>	<b>22 061</b>	<b>(2 295)</b>	<b>(14 255)</b>	<b>130 107</b>

2016	Opening balances R'000	Additions R'000	Disposals R'000	Depreciation R'000	Total R'000
	Land	2 632	-	-	-
Buildings	1 692	526	-	(116)	2 102
Leasehold property	4 080	12	-	(464)	3 628
Plant and machinery	42 495	2 508	(63)	(3 957)	40 983
Furniture and fixtures	340	179	(19)	(39)	461
Motor vehicles	803	393	-	(204)	992
Office equipment	117	49	-	(26)	140
Computer equipment	619	141	-	(251)	509
Vessels	76 465	5 487	(454)	(8 349)	73 149
	<b>129 243</b>	<b>9 295</b>	<b>(536)</b>	<b>(13 406)</b>	<b>124 596</b>

# PREMIER FISHING AND BRANDS LIMITED GROUP NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 August 2017

## 3. PROPERTY, PLANT AND EQUIPMENT CONTINUED

### Property, plant and equipment pledged as security

The following assets have been encumbered as security for the secured long-term borrowings 17:

	2017 R'000	2016 R'000
Motor vehicles	348	495
Vessels	14 065	15 213

Refer to note 17 for loan balances, installment amounts, interest rates charged and maturity dates of loans.

### Details of properties

Premier Fishing SA Proprietary Limited has land located in the Overstrand Municipality on Erf 1727 measuring 3,7 hectares and Erf 3819 measuring 6 hectares. The land is registered under Title Deeds T455052/2002 and T160/1938.

## 4. GOODWILL

	2017			2016		
	Cost R'000	Accumulated impairment R'000	Carrying value R'000	Cost R'000	Accumulated impairment R'000	Carrying value R'000
Goodwill	31 370	(13 205)	18 165	31 370	(13 205)	18 165

	Opening balance	Total
<b>2017</b>		
Goodwill	18 165	18 165
<b>2016</b>		
Goodwill	18 165	18 165

Goodwill arose from the acquisition of an additional 50% shareholding in Premfresh Seafoods Proprietary Limited in the 2007 financial year and the acquisition of 100% shareholding in Marine Growers Proprietary Limited in the 2008 financial year. Premfresh Seafoods Proprietary Limited is now 100% held by Premier Fishing SA Proprietary Limited. The remainder of the goodwill balance relates to the acquisition of 100% shareholding in Sekunjalo Food and Fishing Proprietary Limited and Sekfish Investments Proprietary Limited. The accumulated impairment was as a result of goodwill arising from the acquisition of Premfresh Seafoods Proprietary Limited being written down in full during the 2009 financial year.

### Impairment testing

The Group performs an annual impairment test on goodwill based on CGU. The recoverable amount of each of the CGUs to which goodwill is allocated has been determined based on a value-in-use calculation which uses cash flow projections on financial forecasts approved by the board of directors covering a five-year period.

The cash flow projections over the five-year forecast period are based on the assumption of the same expected gross margin and price inflation over the forecast period.

The following are the principle assumptions that were used to calculate the recoverable amounts of the CGUs:

	2017	2016
<b>Abalone division</b>		
Discount rate	18,57%	18,68%
Number of years	5	5
Growth rate	4,5%	4,50%
<b>Fishing division</b>		
Discount rate	14,22%	14,19%
Number of years	5	5
Growth rate	4,5%	4,50%

#### Allocation of goodwill to cash-generating units

Goodwill acquired through business combinations has been allocated to individual cash-generating units for impairment testing as follows:

	2017 R'000	2016 R'000
Abalone division	14 136	14 136
Fishing division	4 029	4 029
	<b>18 165</b>	<b>18 165</b>

#### 5. INTANGIBLE ASSETS

	2017			2016		
	Cost R'000	Accumulated amortisation R'000	Carrying value R'000	Cost R'000	Accumulated amortisation R'000	Carrying value R'000
Trademarks	156	(94)	62	130	(89)	41
Fishing quota	1 217	(1 217)	-	1 217	(1 217)	-
<b>Total</b>	<b>1 373</b>	<b>(1 311)</b>	<b>62</b>	<b>1 347</b>	<b>(1 306)</b>	<b>41</b>

#### Reconciliation of intangible assets

	Opening balance R'000	Additions R'000	Amortisation R'000	Total R'000
<b>2017</b>				
Trademarks	41	27	(6)	62

	Opening balance R'000	Amortisation R'000	Total R'000
<b>2016</b>			
Trademarks	46	(6)	40
Fishing quota	196	(196)	-
	243	(202)	41

#### Other information

The trademarks are attributable to the registration costs of the South Atlantic Lobster and Sea Diamond brands. These brands are well established in the United States of America, Europe and East Asian markets. The trademarks are amortised over an estimated useful life of 4 to 15 years.

The fishing quota relates to a right to catch WCRL quota which was acquired from another rights holder. The duration of the fishing quota was up to the end of the current financial year.

# PREMIER FISHING AND BRANDS LIMITED GROUP

## NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 August 2017

### 6. INTERESTS IN SUBSIDIARIES

The following table lists the entities which are controlled by the Group indirectly through subsidiaries. The percentage of voting power is the same as the percentage of shareholding.

Name of Company	Held by	Percentage holding 2017	Percentage holding 2016
Sekfish Investments Proprietary Limited	Sekunjalo Food and Fishing Proprietary Limited	100	100
Premier Fishing SA Proprietary Limited	Sekfish Investments Proprietary Limited	100	100
Marine Growers Proprietary Limited	Premier Fishing SA Proprietary Limited	100	100
Premfresh Seafoods Proprietary Limited	Premier Fishing SA Proprietary Limited	100	100
Kuttelfish Proprietary Limited	Premier Fishing SA Proprietary Limited	100	100
Seagro Fertilisers Proprietary Limited	Premier Fishing SA Proprietary Limited	100	100
Atlantic Fishing Enterprises Proprietary Limited	Premier Fishing SA Proprietary Limited	100	100
Chapman's Peak Fisheries Proprietary Limited	Premier Fishing SA Proprietary Limited	100	100
Fish Drying Corporation Proprietary Limited	Premier Fishing SA Proprietary Limited	100	100
John Ovenstone Limited	Premier Fishing SA Proprietary Limited	100	100
John Quality Proprietary Limited	Premier Fishing SA Proprietary Limited	100	100

The following table lists the entity which is controlled directly by the Company. The percentage of voting power is the same as the percentage of shareholding.

#### Company

Name of Company	Percentage holding 2017	Percentage holding 2016
Sekunjalo Food and Fishing Proprietary Limited	100	100

## 7. JOINT ARRANGEMENTS

### Joint operations

The following joint operations are material to the Group:

Joint operation	Country of operation	Percentage ownership interest	
		2017	2016
Premier - BCP Hake Joint Venture	South Africa	48%	48%
Premier - Seacat Joint Venture	South Africa	50%	50%
Bloudam Joint Venture	South Africa	38%	38%

The Premier - BCP Hake Joint Venture is a jointly controlled operation with Blue Continental Products Proprietary Limited. The operation is engaged in the catching, processing and marketing of Premier Fishing SA Proprietary Limited's hake fishing rights together with that of the joint operation partner.

The Premier - Seacat Joint Venture is a jointly controlled operation with Seacat Fishing Proprietary Limited. Premier Fishing SA Proprietary Limited and Seacat Fishing Proprietary Limited jointly own and operate a fishing vessel which catches and processes squid.

The Bloudam Joint Venture is a jointly controlled operation in which Premier Fishing SA Proprietary Limited owns a share in a fishing vessel with external quota holders. The fishing vessel catches WCRL on behalf of Premier Fishing SA Proprietary Limited and the external quota holders.

### Joint ventures

The following table lists all of the joint ventures in the Group:

Name of Company	Held by	Percentage ownership interest	Percentage ownership interest	Carrying amount	Carrying amount
		2017	2016	2017	2016
Premier Select Proprietary Limited	Premier Fishing SA Proprietary Limited	50	50	-	-

### Summarised financial information of the joint venture

#### Summarised Statement of Comprehensive Income

	2017	2016
Operating expenses	(7)	(7)
Loss before tax	(7)	(7)
Loss after tax	(7)	(7)
<b>Total comprehensive income</b>	<b>(7)</b>	<b>(7)</b>

#### Summarised Statement of Financial Position

##### Assets

<b>Non-current assets</b>	<b>12</b>	<b>19</b>
<b>Current assets</b>		
Cash and cash equivalents	86	87
Trade receivables	107	107
<b>Total current assets</b>	<b>193</b>	<b>194</b>

##### Liabilities

<b>Non-current liabilities</b>		
Loans from shareholders	722	722
<b>Total non-current liabilities</b>	<b>722</b>	<b>722</b>
<b>Current liabilities</b>		
Trade payables	45	45
<b>Total current liabilities</b>	<b>45</b>	<b>45</b>
<b>Total net assets</b>	<b>(562)</b>	<b>(554)</b>

#### Reconciliation of net assets to equity accounted investments in joint venture

Interest in joint venture at percentage ownership	(277)	(277)
Cumulative unrecognised losses	277	277
<b>Carrying value of investment in joint venture</b>	<b>-</b>	<b>-</b>

The summarised information presented above reflects the financial position and results of the joint venture and includes an intercompany balance.

# PREMIER FISHING AND BRANDS LIMITED GROUP

## NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 August 2017

### 7. JOINT ARRANGEMENTS CONTINUED

Summary of the Group's interest in joint operations	2017 R'000	2016 R 000
<b>Premier - BCP Hake Joint Venture</b>		
Revenue	65 020	64 813
Cost of sales	(33 803)	(37 716)
Other operating income	2 454	364
Operating expenses	(8 282)	(7 058)
Interest income	1 196	776
<b>Total comprehensive income</b>	<b>26 585</b>	<b>21 179</b>
<b>Share of total comprehensive income</b>	<b>12 761</b>	<b>10 166</b>
<b>Current assets</b>		
Inventories	4 521	1 268
Trade and other receivables	10 959	8 514
Cash and cash equivalents	18 180	14 435
<b>Total current assets</b>	<b>33 660</b>	<b>24 217</b>
<b>Current liabilities</b>		
Trade and other payables	(9 913)	(7 732)
<b>Total current liabilities</b>	<b>(9 913)</b>	<b>(7 732)</b>
<b>Net assets</b>	<b>23 747</b>	<b>16 485</b>
<b>Share of net assets</b>	<b>11 399</b>	<b>7 912</b>
<b>Premier - Seacat Joint Venture</b>		
Revenue	11 104	6 431
Cost of sales	(3 641)	(3 880)
Operating expenses	(4 559)	(1 024)
Other income	202	-
Interest income	76	63
<b>Total comprehensive income</b>	<b>3 182</b>	<b>1 590</b>
<b>Share of total comprehensive income</b>	<b>1 591</b>	<b>795</b>
<b>Current assets</b>		
Inventories	419	287
Trade and other receivables	1 549	177
Cash and cash equivalents	1 789	1 456
<b>Total current assets</b>	<b>3 757</b>	<b>1 920</b>
<b>Current liabilities</b>		
Trade and other payables	(575)	(330)
<b>Total current liabilities</b>	<b>(575)</b>	<b>(330)</b>
<b>Net assets</b>	<b>3 182</b>	<b>1 590</b>
<b>Share of net assets</b>	<b>1 591</b>	<b>795</b>
<b>Bloudam Joint Venture</b>		
Revenue	894	729
Cost of sales	(484)	(83)
Operating expenses	(1 442)	(1 256)
<b>Total comprehensive income</b>	<b>(1 032)</b>	<b>(610)</b>
<b>Share of total comprehensive income</b>	<b>(392)</b>	<b>(232)</b>
<b>Current assets</b>		
Other financial assets	1 113	-
<b>Total current assets</b>	<b>1 113</b>	<b>-</b>
<b>Other financial liabilities</b>	<b>(2 123)</b>	<b>(537)</b>
Trade and other payables	(22)	(73)
<b>Total current liabilities</b>	<b>(2 145)</b>	<b>(610)</b>
<b>Net assets</b>	<b>(1 032)</b>	<b>(610)</b>
<b>Share of net assets</b>	<b>(392)</b>	<b>(233)</b>

The summarised information presented above reflects the full financial position and results of the joint operations.

	2017 R'000	2016 R'000
<b>8. LOANS TO/(FROM) GROUP COMPANIES</b>		
<b>Joint venture</b>		
Premier Select Proprietary Limited	-	397
The loan was interest-free and unsecured		
<b>Holding Company</b>		
African Equity Empowerment Investments Limited – loan 1	<b>72 415</b>	62 092
Interest is charged at the prime bank overdraft rate plus 5%. The loan is unsecured. Premier Fishing SA Proprietary Limited has granted African Equity Empowerment Investments Limited an unconditional right to defer repayment of the outstanding amount for a period of at least 12 months after the statement of financial position date.		
African Equity Empowerment Investments Limited – loan 2	<b>9 343</b>	15 907
Interest is charged at the prime bank overdraft rate plus 1.5%. The loan is unsecured. Premier Fishing SA Proprietary Limited has granted African Equity Empowerment Investments Limited an unconditional right to defer repayment of the outstanding amount for a period of at least 12 months after the statement of financial position date.		
	<b>81 758</b>	78 396
<b>Fellow subsidiary</b>		
espAfrika Proprietary Limited	-	(1 478)
Interest was charged at a rate of 7% per annum. The loan was unsecured and was repayable on demand.		
Non-current assets	<b>81 758</b>	78 396
Current liabilities	-	(1 478)
	<b>81 758</b>	76 918

**Credit quality of loans to Group companies**

The loans are advanced to Group companies for capital investment or working capital needs. The risk of default is based on the success of the Group Company's trading. The risk of default on the loans is considered minimal and credit quality is considered high. No loans are past due and none are impaired.

**Fair value of loans to and from Group companies**

The carrying value of the loans approximate fair value.



# PREMIER FISHING AND BRANDS LIMITED GROUP

## NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 August 2017

	2017 R'000	2016 R'000
<b>9. DEFERRED TAX</b>		
<b>Deferred tax liability</b>		
Property, plant and equipment	(21 606)	(23 073)
Fair value gain on loan	(2 793)	(2 793)
Fair value adjustment on investment in subsidiary	-	-
Shipping allowance	(39 651)	(38 101)
Prepaid expenses	(677)	(667)
Intangibles	(17)	(10)
Biological assets	(15 210)	(13 487)
	<b>(79 954)</b>	<b>(78 131)</b>
Deferred tax assets netted off against the deferred tax liability	<b>7 613</b>	<b>6 242</b>
<b>Total net deferred tax liability</b>	<b>(72 341)</b>	<b>(71 889)</b>
<b>Deferred tax asset</b>		
Income received in advance	395	290
Operating lease liability	348	578
Provisions	2 805	2 575
	<b>3 548</b>	<b>3 443</b>
Deferred tax balance from temporary differences other than unused tax losses	4 130	2 863
Tax losses available for set-off against future taxable income	7 678	6 306
	<b>(7 613)</b>	<b>(6 242)</b>
<b>Assets netted off against the deferred tax liability</b>	<b>65</b>	<b>64</b>
The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:		
Deferred tax liability	72 341	71 889
Deferred tax asset	65	64
<b>Total net deferred tax liability</b>	<b>(72 276)</b>	<b>(71 825)</b>
<b>Reconciliation of deferred tax asset/(liability)</b>		
At beginning of year	(71 825)	(62 472)
Increase due to change in capital gains tax rate	-	(468)
Accelerated capital allowances on property, plant and equipment	1 466	921
Tax loss available for set off against future taxable income	1 267	(1 889)
Intangible assets	(5)	56
Operating lease liabilities	(230)	(36)
Income received in advance	(104)	215
Provisions	426	332
Fair value adjustments on biological assets	(1 723)	(562)
Shipping allowances	(1 550)	(7 255)
Prepaid expenses	(10)	(667)
Prior year deferred tax misstatement	(196)	-
	<b>(72 276)</b>	<b>(71 825)</b>
<b>Recognition of deferred tax asset</b>		
The Group has recognised a deferred tax asset on an assessed loss in a subsidiary, Marine Growers Proprietary Limited as the directors have a reasonable expectation that the company will generate sufficient future taxable income to utilise the assessed loss.		
<b>10. INVENTORIES</b>		
Raw materials, components	2 106	1 934
Finished goods	35 291	35 619
Consumables	5 686	4 826
	<b>43 083</b>	<b>42 379</b>

Wild canned abalone was written off to its net realisable by an amount of R601 070

	2017 R'000	2016 R 000
<b>11. TRADE AND OTHER RECEIVABLES</b>		
Trade receivables	46 569	32 400
Prepayments	1 284	1 525
Value added taxation	5 364	3 875
Accrued interest	3 283	-
Amounts receivable from other quota holders	24 497	5 889
Advances to contracted fishermen	2 275	1 950
Deposits	202	195
Employee costs in advance	17	55
Insurance claims	314	54
Prepayments to related parties	1 136	858
Amounts receivable from related parties	4 534	1 173
Other receivables	145	296
	<b>89 620</b>	<b>48 270</b>

#### Trade and other receivables pledged as security

Trade and other receivables were ceded as security for overdraft facilities of R35 million (2016: R35 million) of the Group. Refer to note 14 for more details.

#### Credit quality of trade and other receivables

The Group performs ongoing credit evaluations of the financial condition of all customers. Before any new customer is approved for credit, a thorough credit check is performed by an external credit agency. The agency provides credit scores and credit ratings on each customer. In addition to that a recommended credit limit is provided by the credit agency. Additional internal ratings and credit limit checklist procedures are performed by management before a final credit limit is approved to our customers. The credit quality of trade and other receivables that are neither past nor due nor impaired is assessed by management based on historical information about counterparty default ratings if available. The customer base consist of both foreign and local customers. Credit quality is considered to be high.

	2017 R'000	2016 R 000
<b>Fair value of trade and other receivables</b>		
Trade and other receivables	46 569	32 400

The fair value of trade and other receivables approximates its carrying value due to the short-term nature and the fact that no interest is being charged.

#### Trade and other receivables past due but not impaired

Trade and other receivables which are less than 60 days past due are not considered to be impaired. At 31 August 2017, (2016: R1 953 279) were past due but not impaired. Trade receivables of R101 128 were written off as a bad debt in Marine Crowers Proprietary Limited.

#### Age analysis of trade receivables:

Current	34 313	20 711
0 to 30 days	1 676	4 023
30 to 60 days	3 106	450
60 to 90 days	1 510	5 940
Over 90 days	5 964	1 276
<b>Total</b>	<b>46 569</b>	<b>32 400</b>

The carrying amount of trade and other receivables are denominated in the following currencies:

Rand	31 704	21 890
US Dollar	12 146	10 510
Euro	2 719	-
<b>Total</b>	<b>46 569</b>	<b>32 400</b>

# PREMIER FISHING AND BRANDS LIMITED GROUP

## NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 August 2017

	2017 R'000	2016 R'000
<b>12. OTHER FINANCIAL ASSETS</b>		
<b>Loans and receivables</b>		
Bloudam Joint Venture	1 222	1 065
The loan is unsecured and bears no interest.		
Premier Seacat joint venture	485	-
The loan is unsecured and bears no interest		
	<b>1 707</b>	<b>1 065</b>
<b>Current assets</b>		
Loans and receivables	1 707	1 065
<b>Fair values of loans and receivables</b>		
Loans and receivables	1 707	1 065

	Opening balance R'000	Sales R'000	Changes in fair value, births and deaths R'000	Total R'000
<b>13. BIOLOGICAL ASSETS</b>				
<b>Reconciliation of biological assets - Group 2017</b>				
<b>2017</b>				
Abalone	48 169	(37 852)	44 006	54 323
<b>2016</b>				
Abalone	46 162	(41 223)	43 230	48 169

	2017 R'000	2016 R'000
<b>Non-financial information</b>		
<b>Quantities of each biological asset</b>		
Abalone - Kgs	126 490	102 501

#### Pledged as security

The carrying value of biological assets have been ceded as security to Absa Bank Limited. Refer to note 14 for further details.

#### Methods and assumptions used in determining fair value

For fair value information refer to note 36.

#### 14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

	2017 R'000	2016 R'000
Cash on hand	51	41
Bank balances	541 868	23 475
Bank overdraft	(17 986)	-
	<b>523 933</b>	<b>23 516</b>
Current assets	541 919	23 516
Current liabilities	(17 986)	-
	<b>523 933</b>	<b>23 516</b>

The bank overdrafts in the Group are secured by:

- Unlimited suretyship by Premier Fishing SA Proprietary Limited;
- Unlimited suretyship by Premfresh Seafoods Proprietary Limited, supported by a cession of loan accounts;
- Unlimited suretyship by Marine Growers Proprietary Limited, supported by a cession of loan accounts;
- Unlimited suretyship by African Equity Empowerment Investments Limited;
- Cession of debtors and foreign currency accounts;
- Negative pledge undertaking not to increase external borrowing any higher;
- First Maritime Bond of R1 200 000 registered over fishing vessel Lubbetjie;
- First Maritime Bond of R1 900 000 registered over fishing vessel Mizpah;
- Special Notarial Bond Number BN23802/2008 for R3 450 000 over fishing vessels Southern Knight and Southern Horizon;
- General Notarial Bond Number BN23803/2008 for R50 000 000 over stock, moveable assets, plants and equipment and vessel equipment;
- First Maritime Bond for R40 959 500 by Premier Fishing SA Proprietary Limited over marine vessels with the carrying value of R41 697 044;
- First Continuing Covering Mortgage Bond Number B28343/2008 for R10 000 000 over Erf 11 St Helena Bay held under Deed of Transfer Number T46847/2002;
- Second Maritime Bond of R4 400 000 registered over fishing vessel Lubbetjie;
- Second Maritime Bond of R6 100 000 registered over fishing vessel Mizpah; and
- Cession of fire and sasria policy for fishing vessels with a carrying value of r41 697 044.

Guarantees are as follows:

- Nedbank: R182 000
- Other securities: Cession of Nedbank call accounts and agreement to set off current account and foreign advance accounts

#### Credit quality of cash at bank and short-term deposits, excluding cash on hand

Cash and cash equivalents are held with Absa, Standard Bank and Nedbank. These are all reputable banking institutions and their credit quality is considered to be high.

	2017 R'000	2016 R'000
<b>Credit rating</b>		
Absa Bank Limited BBB	513 701	15 464
Nedbank Limited BBB	1 399	1 069
Standard Bank Limited BBB	8 782	6 942
	<b>523 882</b>	<b>23 475</b>

# PREMIER FISHING AND BRANDS LIMITED GROUP

## NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 August 2017

	2017	2016
<b>15. STATED CAPITAL</b>		
<b>Authorised shares</b>		
Ordinary shares	2 000 000 000	1 000
<b>Issued shares</b>		
Ordinary shares	260 000 000	100
<b>Reconciliation of number of shares issued:</b>		
Opening balance	100	100
Shares split	142 999 900	-
Issue of shares – ordinary shares	117 000 000	-
	<b>260 000 000</b>	<b>100</b>

	2017 R'000	2016 R'000
<b>Issued capital</b>		
260 000 000 ordinary shares of no par value (2016: 100 ordinary shares of R1.00 each)	526 500	-
Capitalised share issue costs	(18 983)	-
	<b>507 517</b>	<b>-</b>

At the end of the 2016 financial year, there were 100 shares in issue of R1.00 each.

On 1 February 2017, the share capital of Premier Fishing and Brands Limited was altered by:

- converting the entire authorised and issued share capital from par value shares of R1.00 each into no par value shares;
- increasing the authorised share capital from 1 000 ordinary shares of R1.00 each into 2 000 000 000 ordinary no par value shares; and
- subdividing each share in the Company's authorised and issued share capital into 1 430 000 shares.

The authorised share capital of the Company is 2 000 000 000 ordinary shares of no par value.

On 2 March 2017, an additional 117 000 000 ordinary shares were issued to the public on a private placement as part of the capital raising exercise and the listing of the Company on the main board of the Johannesburg Stock Exchange (JSE).

On 31 August 2017, the issued share capital of the Company was 260 000 000 ordinary shares of no par value (2016: 100 ordinary shares of R1.00 each)

	2017 R'000	2016 R'000
<b>16. RESERVES</b>		
Capital redemption reserve fund	8 014	8 014

A capital redemption reserve fund arose when a subsidiary had a share buy-back in the prior years.

	2017 R'000	2016 R'000
<b>17. OTHER FINANCIAL LIABILITIES</b>		
<b>Held at amortised cost</b>		
Absa Bank Limited – Asset Finance	647	1 449
The loans are for a term of 48 to 60 months. Repayable in monthly instalments of:		
• R3 241;		
• R5 319;		
• R6 767;		
• R26 665; and		
• R35 528 ending on 30 November 2020		
The interest rates charged on the loans at 31 August 2017 are:		
• 10.00%;		
• 10.50%; and		
• 11.75%;		
Secured by motor vehicles with a carrying value of R348 008 (2016: R495 429) and vessels with a carrying value of R14 064 627 (2016: R15 213 236).		
Absa Bank Limited – Revolving Loan	1 111	1 373
The interest rate charged on the loan at 31 August 2016 is 10.50%. The loan is repayable in monthly instalments of R56 632 ending on 31 August 2018. The loan was used in the purchase of Marine Growers Proprietary Limited by Premier Fishing SA Proprietary Limited.		
Netsurit Technology Rentals Proprietary Limited	-	30
The loan was repayable in monthly instalments of R20 962 ending 31 October 2016. The loan was secured by computer equipment with a carrying value of R88 778 (2016: R185 628)		
Absa Bank Limited – Project Finance	8 743	11 183
The interest rate charged on the loan at 31 August 2017 is 10.335%. The loan is repayable in monthly instalments of R203 333 ending on 31 March 2021. African Equity Empowerment Investments Limited has provided a limited guarantee for the loan to Absa Bank Limited.		
Premier Seacat Joint Venture	569	9
The loan is interest-free, unsecured and repayable on demand.		
	<b>11 070</b>	<b>14 044</b>
<b>Non-current liabilities</b>		
At amortised cost	<b>7 651</b>	<b>10 764</b>
<b>Current liabilities</b>		
At amortised cost	<b>3 419</b>	<b>3 280</b>
	<b>11070</b>	<b>14 044</b>

# PREMIER FISHING AND BRANDS LIMITED GROUP

## NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 August 2017

	2017 R'000	2016 R'000
<b>18. POST-EMPLOYMENT MEDICAL COSTS</b>		
Carrying value	1 075	1 153
Opening balance	1 153	1 328
Decrease/(increase) in provision for medical aid benefits	(78)	(175)
<b>Closing balance</b>	<b>1 075</b>	<b>1 153</b>

This is a provision for medical aid costs of retired employees. The provision is calculated taking into account the current medical aid contribution, the life expectancy of the employees and a discount rate of 6% to calculate the present value of the obligation.

<b>19. TRADE AND OTHER PAYABLES</b>		
Trade payables	23 010	24 680
Accrued expenses	5 285	3 603
Accrued audit fees	1 197	849
Payroll accruals	6 844	5 481
Amounts received in advance	2 178	1 628
Value added taxation	499	497
Amounts due to other quota holders	12 376	3 601
Amounts due to related parties	-	7 877
Income received in advance from related parties	1 335	1 208
Payroll accruals for related parties	2 731	3 819
	<b>55 455</b>	<b>53 243</b>

The carrying amounts of amounts received in advance are denominated in the following currencies:

Rand	28	29
US Dollar	2 119	1 572
Euro	31	27
<b>Total</b>	<b>2 178</b>	<b>1 628</b>

Trade and other payables are interest-free and have payment terms of between 30 to 60 days.

The carrying value of trade and other payables approximates fair value due to their short-term nature.

	2017 R'000	2016 R'000
<b>20. PROVISIONS</b>		
<b>Closing balance</b>	<b>8 944</b>	<b>7 344</b>

	Opening balance R'000	Additions R'000	Utilised during the year R'000	Total R'000
<b>Reconciliation of provisions</b>				
<b>2017</b>				
Leave pay provision	1 600	2 791	(2 450)	1 941
Commission provision	2 268	150	(2 268)	150
Bonus provision	2 138	2 911	(2 138)	2 911
Provision for municipal electricity, rates and levies	1 338	3 942	(1 338)	3 942
	<b>7 344</b>	<b>9 793</b>	<b>(8 193)</b>	<b>8 944</b>

	Opening balance R'000	Additions R'000	Utilised during the year R'000	Reversed during the year	Total R'000
<b>2016</b>					
Leave pay provision	1 693	2 384	(2 155)	(322)	1 600
Commission provision	1 650	2 268	(1 650)	-	2 268
Bonus provision	2 072	2 137	(2 466)	395	2 138
Provision for municipal electricity, rates and levies	1 266	1 338	(1 266)	-	1 338
	<b>6 682</b>	<b>8 126</b>	<b>(7 536)</b>	<b>72</b>	<b>7 344</b>

Employee benefits in the form of annual leave entitlements are provided for when they accrue to employees with reference to services rendered up to the statement of financial position date. The above provision represents management's best estimate based on prior experience.

The provision for bonuses is provided for when they accrue to employees with reference to services rendered up to the statement of financial position date. The above provision represents management's best estimate based on prior experience.

The commission provision relates to commission expenses payable to a sales agent. The actual sales price realised from which the commission is based on was not yet finalised at year-end. The provision represents management's best estimate based on expected market prices.

The provision for municipal electricity, rates and levies relates to expenses incurred by the Group for electricity usage, rates and taxes. The actual bill was not yet received, at year-end, therefore management estimated the amount of the provision based on estimated usage and charge rates from the previous month.

	2017 R'000	2016 R'000
<b>21. REVENUE</b>		
Sale of goods	<b>379 220</b>	368 697
Rendering of services	<b>14 711</b>	20 353
Rental income	<b>16 802</b>	12 642
	<b>410 733</b>	<b>401 692</b>



# PREMIER FISHING AND BRANDS LIMITED GROUP

## NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 August 2017

	2017 R'000	2016 R'000
<b>22. OPERATING PROFIT/(LOSS)</b>		
Operating profit for the year is stated after accounting for the following:		
Management fees expenses to the holding company	12 480	13 284
Loss on disposal of property, plant and equipment	2 295	569
Loss on exchange differences	2 979	521
Amortisation on Intangible assets	6	201
Depreciation on property, plant and equipment	14 255	13 407
Employee costs	63 358	57 213
Loan written off	397	-
Fair value gain on biological assets	6 153	2 007
<b>23. INVESTMENT REVENUE</b>		
<b>Interest revenue</b>		
Bank	20 079	695
Group companies	12 285	9 992
Quota holders	651	662
<b>Total investment revenue</b>	<b>33 015</b>	<b>11 349</b>
<b>24. FINANCE COSTS</b>		
Group companies	-	156
Bank	2 315	2 488
Late payment of tax	1 008	342
<b>Total finance costs</b>	<b>3 323</b>	<b>2 986</b>

	2017 R'000	2016 R'000
<b>25. TAXATION</b>		
<b>Major components of the tax expense</b>		
<b>Current</b>		
South African normal taxation	26 146	11 942
Local income tax - recognised in current tax for prior periods	146	116
	<b>26 292</b>	<b>12 058</b>
<b>Deferred</b>		
Originating and reversing temporary differences	181	8 885
Changes in tax rates	-	468
Arising from prior period adjustments	270	-
	<b>451</b>	<b>9 353</b>
	<b>26 743</b>	<b>21 411</b>
<b>Reconciliation of the tax expense</b>		
Reconciliation between applicable tax rate and average effective tax rate:		
Applicable tax rate	28,00%	28,00%
Donations and interest disallowed	0,30%	0,40%
Consulting and legal fees	0,49%	-
Fines	0,8%	-
Change in capital gains tax rate	-	0,74%
Utilisation of previous unrecognised tax loss	(0,44%)	-
Prior year under/over provision of tax	0,15%	(0,02%)
Utilisation of previous unrecognised assessed loss	(0,38%)	-
	<b>28,20%</b>	<b>29,12%</b>
<b>26. CASH GENERATED FROM OPERATIONS</b>		
<b>Profit before taxation</b>	<b>94 843</b>	<b>73 518</b>
<b>Adjustments for:</b>		
Depreciation and amortisation	14 261	13 608
Loss on sale of assets	2 295	569
Interest income	(33 015)	(11 349)
Finance costs	3 323	2 986
Loan written off	397	-
Movements in operating lease assets and accruals	(822)	(129)
Movements in post-employment medical costs liability	(78)	(176)
Movements in provisions	1 600	662
Fair value adjustments of biological assets	(6 153)	(2 007)
<b>Changes in working capital:</b>		
Inventories	(704)	(15 888)
Trade and other receivables	(38 065)	(287)
Trade and other payables	2 212	6 873
	<b>40 094</b>	<b>68 381</b>

# PREMIER FISHING AND BRANDS LIMITED GROUP

## NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 August 2017

	2017 R'000	2016 R'000
<b>27. TAX PAID</b>		
Balance at beginning of the year	(7 965)	(4 783)
Current tax for the year recognised in profit or loss	(26 292)	(12 058)
Balance at end of the year	<b>21 598</b>	7 965
	<b>(12 659)</b>	<b>(8 876)</b>
<b>28. COMMITMENTS</b>		
<b>Authorised capital expenditure</b>		
Not yet contracted for and authorised by directors	<b>223 000</b>	12 519
This committed expenditure relates to the abalone farm expansion and the acquisition of a fishmeal plant. The expenditure will be financed by available finance resources.		
<b>Operating leases - as lessee</b>		
<b>Minimum lease payments due (contractual amounts)</b>		
- within one year	<b>6 040</b>	8 349
- in second to fifth year inclusive	<b>1 232</b>	7 273
	<b>7 272</b>	15 622
<b>Operating leases - as lessee</b>		
<b>Minimum lease payments due (smoothed amounts)</b>		
- within one year	<b>5 131</b>	7 529
- in second to fifth year inclusive	<b>1 236</b>	6 030
	<b>6 367</b>	13 559

The Group rents its premises from Lexshell Proprietary Limited and the Department of Public Works in terms of operating leases. The lease contract with Lexshell Proprietary Limited is for a period of 25 years and escalating rentals are renegotiated every five-years. The lease contract with the Department of Public Works is for a period of 9 years and 11 months.

## 29. EARNINGS PER SHARE

Earnings per share ("EPS") is derived by dividing the earnings attributable to equity holders of the Company by the weighted average number of ordinary shares.

	2017 cents	2016 cents
Basic earnings per share	<b>33,77</b>	36,44
Diluted earnings per share	<b>33,77</b>	36,44

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

	2017 R'000	2016 R'000
Earnings attributable to owners of Premier Fishing and Brands Limited	<b>68 100</b>	52 108
Weighted average number of shares	<b>201 660</b>	143 000

### Headline earnings per share

Headline earnings is determined as follows:

Earnings attributable to owners of Premier Fishing and Brands Limited	<b>68 100</b>	52 108
Adjusted for:		
Effect of loss on disposal of property, plant and equipment gross of tax	<b>2 295</b>	569
Taxation effect	<b>(643)</b>	(159)
<b>Headline earnings</b>	<b>69 752</b>	52 518

	2017 cents	2016 cents
Headline earnings per share	<b>34,59</b>	36,73
Diluted headline earnings per share	<b>34,59</b>	36,73

## 30. SUBSEQUENT EVENTS

The Group, through its subsidiary Premier Fishing SA Proprietary Limited, has entered into a binding Heads of Agreement with Talhado Fishing Enterprises Proprietary Limited to acquire a 50.01% stake in their business. The effective date of the transaction is 30 November 2017, subject to the conditions precedent in the Heads of Agreement. The business is one of the largest squid players in the South African market and the acquisition fits in line with our growth strategy to expand organically or through acquisitive growth. This acquisition will also increase the diversification of our product basket.

# PREMIER FISHING AND BRANDS LIMITED GROUP

## NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 August 2017

### 31. RELATED PARTIES

#### Relationships

Ultimate holding Company

Subsidiaries

Joint ventures

Fellow subsidiary companies

African Equity Empowerment Investments Limited

Refer to note 6

Refer to note 7

Health Systems Technologies Proprietary Limited

Sekunjalo Technologies Solutions Group Proprietary Limited

Sekunjalo Health Care Limited

Ribotech Proprietary Limited

Sekpharma Proprietary Limited

Bioclones Proprietary Limited

ESP Afrika Proprietary Limited

Emergent Energy Proprietary Limited

Wynberg Pharmaceutical Proprietary Limited

Tripos Tourism Investments Proprietary Limited

Magic 828 Proprietary Limited

Cosmetic Orleans Proprietary Limited

Repassen 56 Proprietary Limited

MCI South Africa Proprietary Limited

Integrated Bioworks Proprietary Limited

Cape Sunset Villas CC

Independent News and Media Proprietary Limited

African News Agency Proprietary Limited

Independent Online Property Joint Venture Proprietary Limited

Insights Publishing Proprietary Limited

African Technology and Media Holdings Proprietary Limited

Commonly controlled entity

Refer to Director's report

Directors

Members of key management

Mogamat Samir Saban

Isaiah Tatenda Bundo

Shaun Bhana

Rushaan Isaacs

Shaun Solomon

Jean-Pierre Coetzee

### 32. RELATED PARTIES CONTINUED

	2017 R'000	2016 R'000
<b>Related party balances</b>		
Loans receivable from related parties		
Premier Select Proprietary Limited	-	397
African Equity Empowerment Investments Limited	81 758	77 999
Bloudam Joint Venture	1 222	-
Premier Seacat Joint Venture	484	-
Premier Fishing SA Proprietary Limited	-	-
<b>Loans payable to related parties</b>		
espAfrika Proprietary Limited	-	1 478
Premier Fishing SA Proprietary Limited	-	-
Premier Seacat Joint venture	569	-
<b>Prepaid expenses to related parties</b>		
Independent News and Media Proprietary Limited	1 136	858
<b>Amounts receivable from related parties</b>		
African Equity Empowerment Investments Limited	473	369
African News Agency Proprietary Limited	22	3
Bioclones Proprietary Limited	559	23
Emergent Energy Proprietary Limited	-	2
espAfrika Proprietary Limited	215	137
Health Systems Technologies Proprietary Limited	17	12
Independent News and Media Proprietary Limited	92	259
Insights Publishing Proprietary Limited	32	51
Magic 828 Proprietary Limited	226	125
Independent Online Property	2	-
Ribotech Proprietary Limited	13	90
Sekpharma Proprietary Limited	19	1
Sekunjalo Technology Solutions	16	83
Tripos Tourism Investments Proprietary Limited	37	16
Wynberg Pharmaceutical Proprietary Limited	2 899	4
BCP Hake Joint Venture	5 639	75
Premier Seacat Joint Venture	32	214
African Technology and Media	1	-
<b>Amounts payable to related parties</b>		
African Equity Empowerment Investments Limited	-	6 817
Cape Sunset Villas Close Corporation	332	333
Health System Technologies	8	-
Emergent Energy Proprietary Limited	-	699
Wynberg Pharmaceutical Proprietary Limited	8	27
<b>Income received in advance from related parties</b>		
Independent News and Media Proprietary Limited	1 335	1 208
<b>Related party transactions</b>		
<b>Interest received from related parties</b>		
African Equity Empowerment Investments Limited	12 284	9 992
espAfrika Proprietary Limited	-	156
<b>Dividends paid to related parties</b>		
African Equity Empowerment Investments Limited	30 000	24 000
<b>Consumables purchased from related parties</b>		
Wynberg Pharmaceuticals Proprietary Limited	54	-
<b>Rent received from related parties</b>		
Independent News and Media Proprietary Limited	5 666	5 470
Wynberg Pharmaceuticals Proprietary Limited	2 400	-
Bioclones Proprietary Limited	480	-

# PREMIER FISHING AND BRANDS LIMITED GROUP

## NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 August 2017

	2017 R'000	2016 R'000
<b>31. RELATED PARTIES CONTINUED</b>		
<b>Administration fees paid to related parties</b>		
African Equity Empowerment Investments Limited	12 481	13 284
<b>HR Fee income received from related parties</b>		
Emergent Energy Proprietary Limited	15	6
Magic 828 Proprietary Limited	71	44
Insights Publishing Proprietary Limited	12	9
Independent Online Property Joint Venture Proprietary Limited	26	19
Sekunjalo Health Care Limited	28	15
Ribotech Proprietary Limited	4	8
Bioclonex Proprietary Limited	31	16
Sekpharma Proprietary Limited	4	3
Independent News and Media Proprietary Limited	119	129
African News Agency Proprietary Limited	123	43
Health System Technologies Proprietary Limited	185	128
Tripos Tourism Investments Proprietary Limited	39	30
African Technology and Media Holdings Proprietary Limited	11	12
Integrated Bioworks	3	-
MCI South Africa Proprietary Limited	17	-
<b>Computer expenses paid to related parties</b>		
Health System Technologies Proprietary Limited	51	41
Sekunjalo Technology Solutions	208	-
<b>Rent paid to related parties</b>		
Cape Sunset Villas Close Corporation	569	570
<b>Subscriptions expense from related parties</b>		
Independent News and Media Proprietary Limited	5 771	4 421
<b>Listing fees paid</b>		
African Equity Empowerment Investments Limited	6 000	-
<b>Sales to related parties</b>		
espAfrika Proprietary Limited	69	-
African Equity Empowerment Investments Limited	2 926	-
Wynberg Pharmaceuticals	181	-
<b>Administration fees received from related parties</b>		
Premier SEACAT joint venture	109	-
<b>Travel and entertainment paid on behalf of related parties</b>		
Tripos Travel Proprietary Limited	175	-
African Equity Empowerment Investments Limited	501	-
<b>Advertising expenses paid to related parties</b>		
Independent News and Media Proprietary Limited	192	-
<b>Commission received from related parties</b>		
Premier SEACAT joint venture	109	-
<b>Compensation to directors and other key management</b>		
Salaries	5 671	5 059
Travel allowance	29	29
Bonus	1 200	1 068
Medical aid contributions	63	59
Pension and Provident Fund contributions	680	607
	<b>7 643</b>	<b>6 822</b>
<b>Directors interests in shares</b>		
	Direct beneficial	Direct non-beneficial
	Indirect beneficial	Indirect non-beneficial
	Total percentage	
S Young	50 000	-
CL Van der Venter	33 000	-
	<b>83 000</b>	<b>-</b>
		<b>0.01</b>
		<b>0.01</b>
		<b>0.02</b>

### 32. GROUP SEGMENTAL ANALYSIS

The information reported to the chief operating decision maker (CODM) for the purposes of assessment of segment performance and resource allocation focuses on the products sold or services rendered by the Group. No operating segments have been aggregated in arriving at the reportable segments of the Group.

The Group's reportable segments under IFRS 8 are as follows:

Fishing:

- Lobster
- Pelagics
- Hake
- Squid

Acquaculture:

- Abalone
- Seagro

Services:

- Processing and marketing
- Cold storage

	SEGMENT REVENUE		SEGMENT PROFIT	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
Lobster	190 589	190 110	52 106	46 446
Pelagics	80 778	93 670	23 636	33 406
Hake	31 210	31 110	12 013	9 794
Squid	34 428	23 541	10 916	4 360
Abalone	36 186	39 697	13 241	13 015
Cold storage	9 555	8 720	332	303
Seagro	5 174	2 717	1 013	701
Processing and marketing	26 909	15 959	6 996	3 860
	<b>414 829</b>	<b>405 524</b>	<b>120 253</b>	<b>111 885</b>
Less intersegmental sales	(4 096)	(3 832)	-	-
Administration and support services	-	-	(61 255)	(48 864)
Fair value gains	-	-	6 153	2 007
Interest income	-	-	33 015	11 477
Finance costs	-	-	(3 323)	(2 986)
	<b>410 733</b>	<b>401 692</b>	<b>94 843</b>	<b>73 519</b>

The intersegmental sales are in respect of cold storage charges to the Lobster segment.

Segment profit represents the profit before tax earned by each segment without the allocation of central administration costs, fair value adjustments, interest income and finance costs. This is the measure that is reported to the chief operating decision-maker for the purposes of assessment of segment performance and resource allocation. The accounting policies of the reportable segments are the same as the Group's accounting policies.



# PREMIER FISHING AND BRANDS LIMITED GROUP

## NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 August 2017

	2017 R'000	2016 R'000
<b>32. GROUP SEGMENTAL ANALYSIS CONTINUED</b>		
<b>Segment assets</b>		
Lobster	75 140	69 106
Pelagics	94 743	82 448
Hake	15 935	11 624
Squid	10 701	6 047
Abalone	84 216	78 113
Cold store	628	1 038
Seagro	6 181	2 312
Processing and marketing	35 358	20 726
Administration and support services	637 996	113 337
	<b>960 898</b>	<b>384 751</b>
Unallocated	65	64
<b>Consolidated total assets</b>	<b>960 963</b>	<b>384 815</b>
<b>Segment liabilities</b>		
Lobster	12 820	6 421
Pelagics	11 258	7 625
Hake	4 757	3 711
Squid	7 124	371
Abalone	6 478	3 440
Processing and marketing	14 158	9 969
Administration and support services	60 929	55 908
	<b>117 525</b>	<b>87 445</b>
Unallocated	72 341	71 890
<b>Consolidated total liabilities</b>	<b>189 866</b>	<b>159 335</b>

For the purposes of monitoring segment performances and resource allocations between segments all assets are allocated to reportable segments other than deferred tax assets. Goodwill is allocated to reportable segments as described in note 4. All liabilities are allocated to reportable segments other than current and deferred tax liabilities.

	DEPRECIATION AND AMORTISATION		ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT	
	2017 R'000	2016 R'000	2017 R'000	2016 R'000
Lobster	5 669	6 366	3 238	2 930
Pelagics	6 307	4 959	10 505	2 711
Squid	623	457	1 270	805
Abalone	1 148	1 237	6 671	2 489
Cold store	46	77	-	234
Seagro	237	252	-	-
Processing and marketing	1	5	-	-
Administration and support services	230	254	377	126
	<b>14 261</b>	<b>13 607</b>	<b>22 061</b>	<b>9 295</b>

### 32. GROUP SEGMENTAL ANALYSIS CONTINUED

#### Geographical information

The Group operates in South Africa.

The Group's revenue from external customers by location of the customers is detailed below:

	2017 R'000	2016 R'000
United States of America	118 801	105 476
Far East	110 029	111 248
Europe	60 232	53 587
South Africa	121 671	131 381
<b>Total</b>	<b>410 733</b>	<b>401 692</b>

#### Information about major customers

Included in revenue are revenues of approximately R162 million (2016: R163 million) which arose from sales to the Group's largest customers. These customers belong to the lobster and pelagic segments.

### 33. DIRECTORS' EMOLUMENTS

The directors in office at the date of this report are as follows:

#### Executive

31 August 2017	Salary	Bonus	Pension/ Provident fund	Total
MS Saban	1 266	315	139	1 720
IT Bundo	790	150	92	1 032
R Isaacs	614	113	67	794
<b>Total</b>	<b>2 670</b>	<b>578</b>	<b>298</b>	<b>3 546</b>
<b>31 August 2016</b>				
MS Saban	1 103	318	120	1 541
IT Bundo	617	115	72	804
R Isaacs	573	106	62	741
<b>Total</b>	<b>2 293</b>	<b>539</b>	<b>254</b>	<b>3 086</b>

The executive directors' emoluments were paid by the subsidiary Premier Fishing SA Proprietary Limited.

#### Non-executive

31 Aug 2017	Salary	Bonus	Pension/ Provident fund	Medical aid	Directors' fees	Total
CF Hendricks	801	205	118	63	-	1 187
Prof VC Mehana	-	-	-	-	110	110
K Abdulla	-	-	-	-	-	-
S Young	-	-	-	-	75	75
CF Hendricks	-	-	-	-	-	-
AB Amod	-	-	-	-	75	75
TT Hove	-	-	-	-	-	-
RP Mosia	-	-	-	-	75	75
CL van der Venter	-	-	-	-	75	75
AW Johnson	-	-	-	-	-	-
LS Naidoo	-	-	-	-	-	-
FEC Brand	-	-	-	-	-	-
<b>Total</b>	<b>801</b>	<b>205</b>	<b>118</b>	<b>63</b>	<b>410</b>	<b>1 597</b>
<b>31 Aug 2016</b>						
CF Hendricks	748	200	110	59	-	1 117
K Abdulla	-	-	-	-	-	-
AB Amod	-	-	-	-	-	-
<b>Total</b>	<b>748</b>	<b>200</b>	<b>110</b>	<b>59</b>	<b>-</b>	<b>1 117</b>

The emoluments for Miss CF Hendricks are paid by Premier Fishing SA Proprietary Limited on behalf of African Equity Empowerment Investments Limited.

# PREMIER FISHING AND BRANDS LIMITED GROUP

## NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 August 2017

### 34. FINANCIAL RISK MANAGEMENT

#### Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in notes 8 and 17 and equity as disclosed in the statement of financial position.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholder, issue new shares or reduce debt.

The Group monitors capital on the basis of the net interest borrowing debt as a percentage of equity.

This percentage is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position). Total equity is represented in the statement of financial position. The net debt to equity percentage during 2017 was less than 2%.

#### Financial risk management

The Group is exposed to a number of financial instrument related risks. The Group has trade receivables, cash and cash equivalents and loans receivable which give rise to credit risk and interest rate risk. The Group has trade payables, loans payable and other financial liabilities which give rise to liquidity risk and interest rate risk. The Group also has trade receivables and cash equivalents denominated in foreign currencies which give rise to foreign exchange risk.

#### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial instruments. The Group manages liquidity risk by effectively managing its cash flows and working capital. The group meets its financing requirements through the use of cash generated from operations as well as short and long-term borrowings. The Group has sufficient undrawn borrowing facilities which could be utilised to settle obligations.

#### Maturity profiles

The table below summarises the maturity profile of the financial liabilities of the Group based on remaining undiscounted contractual obligations.

	Up to one year	Between two to five-years	Total
<b>At 31 August 2017</b>			
Other financial liabilities	3 419	7 651	11 070
Trade payables	23 010	-	23 010
Bank overdraft	17 986	-	17 986
<b>At 31 August 2016</b>			
Loans from Group companies	1 478	-	1 478
Other financial liabilities	3 280	10 764	14 044
Trade payables	24 680	-	24 680

The Group has no significant concentration of liquidity risk.

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange rates (currency risk), market interest rates (interest rate risk) and market prices (price risk).

#### (a) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

#### (b) Interest rate risk

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Floating rate instruments expose the Company to cash flow interest risk, whereas fixed interest rate instruments expose the Company to fair value interest risk.

The Group has no significant concentration of interest rate risk.

At 31 August 2017, if interest rates had been 0.5% higher or lower with all other variables held constant, post-tax profit for the year would have been R281 617 higher or lower, based on average interest rate for the year.

### 34. FINANCIAL RISK MANAGEMENT CONTINUED

#### Cash flow interest rate risk

Financial instrument	Current interest rate	Due in less than a year	Due in one to two years	Due in two to three years	Due in three to four years	Due after five years
Other financial liabilities - ABSA Revolving loan	10,50%	-	1 111	-	-	-
Other financial liabilities - ABSA Asset finance	10,50 - 12,00%	450	197	-	-	-
Other financial liabilities - ABSA Project finance Loan	10,33%	2 440	2 440	2 440	1 423	-
Loans to Group companies - African Equity Empowerment Investments Limited - Loan 1	15,50%	5 700	5 700	7 604	4 000	11 651
Loans to Group companies - African Equity Empowerment Investments Limited - Loan 2	12,00%	-	9 343	-	-	-

#### Credit risk

Credit risk is the risk that one counter party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. Credit risk consists mainly of trade receivables, cash and cash equivalents and loans and other receivables.

Trade receivables are comprised of a widespread customer base. Before any new customer is approved for credit, management requests a thorough credit check to be performed by an external credit agency. The agency provides credit scores and credit ratings on each customer. In addition to that a recommended credit limit is provided by the credit agency.

Additional internal ratings and credit limit checklist procedures are performed by management before a final credit limit is approved to our customers. Management also performs ongoing credit evaluations of the financial condition of all customers.

On a continuous basis, management monitors the performance of each customer against their credit limit to ensure that no credit limits are exceeded. No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties.

The Group only deposits cash with major banks that have a good reputation and a high quality credit standing and limits exposure to any one counterparty. Loans and other receivables are comprised of advances to Group companies.

The Group assesses the trading performance of other Group companies before making advances. Advances are made on the strength of the counterparty's trading performance and forecast cash flows. Loans and other receivables are carefully monitored for impairment.

Financial assets exposed to credit risk at period end were as follows:

Financial instrument	2017 R'000	2016 R'000
Loans to Group companies	81 758	78 396
Other financial assets	1 707	1 065
Trade and other receivables	46 569	32 400
Cash and cash equivalents	541 919	23 516

Refer to note 11 and 14 for further detail in relation to credit risk.

#### Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar and the Euro. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities.

The Group did not hedge against foreign exchange fluctuations during the prior financial year.

At 31 August 2017, if the currency had strengthened by 10% against the US Dollar with all other variables held constant, post-tax profit for the year would have been R2 506 614 lower (2016: R467 053), mainly as a result of foreign exchange gains or losses on translation of US Dollar denominated trade receivables.

# PREMIER FISHING AND BRANDS LIMITED GROUP

## NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 August 2017

### 34. FINANCIAL RISK MANAGEMENT CONTINUED

#### Foreign currency exposure at the end of the reporting period

	2017	2016
<b>Current assets</b>		
Trade debtors, (USD)	926	408
Trade debtors, (EUR)	177	-
Cash and cash equivalents, (USD)	1 601	-
Cash and cash equivalents, (EUR)	29	-
Income received in advance (USD)	67	196
Income received in advance (EUR)	3	3
<b>Exchange rates used for conversion of foreign items were:</b>		
USD	12.97	14.44
EUR	15.38	15.88

The Group reviews its foreign currency exposure, including commitments on an ongoing basis. There were no foreign exchange contracts at year-end to hedge foreign exchange exposure.

#### Risk arising from biological assets

The Group is exposed to financial risks arising from any diseases that may affect the abalone. Sufficient insurance cover is taken out to minimise any losses in the event of the above occurring.

### 35. FAIR VALUE INFORMATION

#### Fair value hierarchy

Financial assets, financial liabilities and non-financial assets measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the Group can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

The following table shows the carrying amounts and fair values of non-financial assets measured at fair value, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Notes	2017 R'000	2016 R'000
<b>Recurring level of fair value measurement</b>		<b>Level 3</b>	Level 3
<b>Biological assets</b>			
Abalone		54 323	48 169

There were no transfers of assets and liabilities between levels 1, 2 or 3 of the fair value hierarchy.

### 35. FAIR VALUE INFORMATION CONTINUED

#### Reconciliation of assets and liabilities measured at level 3

	Opening balance R'000	Gains recognised in profit or loss R'000	Sales R'000	Closing balance R'000
<b>2017</b>				
<b>Assets</b>				
<b>Biological assets</b>				
Abalone	48 169	44 007	(37 853)	54 323
<b>Total</b>	<b>48 169</b>	<b>44 007</b>	<b>(37 853)</b>	<b>54 323</b>
<b>2016</b>				
<b>Assets</b>				
<b>Biological assets</b>				
Abalone	46 162	43 230	(41 222)	48 169
<b>Total</b>	<b>46 162</b>	<b>43 230</b>	<b>(41 222)</b>	<b>48 169</b>

Gains and losses recognised in profit or loss for biological assets are included in cost of sales in the Statement of Comprehensive Income.

#### Financial instruments measured at cost for which a fair value is disclosed

Financial instruments that are not measured at fair value, namely trade and other receivables, cash and cash equivalents, loans receivable and other financial assets are classified as loans receivable. It has been concluded that the carrying amount of these assets approximate their fair values. Refer to notes 8, 11, 12 and 14.

Financial liabilities that are not measured at fair value, namely loans, trade and other payables, and other financial liabilities are categorised as other financial liabilities. It has been concluded that the carrying amount of these liabilities approximate fair value. Refer to notes 17 and 19.

The potential effect of using reasonably possible alternative assumptions in the valuation, based on a change on the most significant input by 1% while holding all other variables constant, is shown in the following table.

#### Biological assets – abalone

The value of abalone is calculated by taking into account the selling price of the abalone, less costs associated with the sale. The net selling price less costs to sell is then applied to the total weight of the abalone per size category as at year-end with other inputs such as weight loss of the abalone and the USD foreign currency spot rate. The potential effect of using reasonably possible alternative assumptions in the valuation, based on a change in the most significant input by 1% while holding all other variables constant, is shown in the following table:

	PROFIT AFTER TAX	
	1% increase R'000	1% decrease R'000
Weight	392	(392)
USD spot rate	439	(439)
Processing fee	(10)	10

#### Valuation processes applied by the Group

The fair value calculations of Abalone and Investments in Subsidiaries are performed by the Group's finance department and operations team on a yearly basis. The valuation reports are discussed with the audit committee in accordance with the Group's reporting policies.

# PREMIER FISHING AND BRANDS LIMITED GROUP

## NOTES TO THE FINANCIAL STATEMENTS continued

for the year ended 31 August 2017

### 36. CATEGORIES OF FINANCIAL INSTRUMENTS

	Notes	Debt instruments at amortised cost	Financial liabilities at amortised cost	Leases	Equity and non-financial assets and liabilities	Total
<b>2017</b>						
<b>Assets</b>						
<b>Non-current assets</b>						
Property, plant and equipment	3	-	-	-	130 107	130 107
Goodwill	4	-	-	-	18 165	18 165
Intangible assets	5	-	-	-	62	62
Loans to Group companies	8	81 758	-	-	-	81 758
Deferred tax	9	-	-	-	65	65
		<b>81 758</b>	<b>-</b>	<b>-</b>	<b>148 399</b>	<b>230 157</b>
<b>Current assets</b>						
Inventories	10	-	-	-	43 083	43 083
Trade and other receivables	12	80 680	-	-	8 940	89 620
Other financial assets	11	1 707	-	-	-	1 707
Current tax receivable		-	-	-	154	154
Biological assets	13	-	-	-	54 323	54 323
Cash and cash equivalents	14	541 919	-	-	-	541 919
		<b>624 306</b>	<b>-</b>	<b>-</b>	<b>106 500</b>	<b>730 806</b>
<b>Total assets</b>		<b>706 064</b>	<b>-</b>	<b>-</b>	<b>254 899</b>	<b>960 963</b>
<b>Equity and liabilities</b>						
<b>Equity</b>						
Equity attributable to equity holders of parent:						
Share capital	15	-	-	-	507 517	507 517
Reserves	15	-	-	-	8 014	8 014
Retained income	15	-	-	-	255 566	255 566
		<b>-</b>	<b>-</b>	<b>-</b>	<b>771 097</b>	<b>771 097</b>
<b>Total equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>771 097</b>	<b>771 097</b>
<b>Liabilities</b>						
<b>Non-current liabilities</b>						
Other financial liabilities	16	-	7 651	-	-	7 651
Operating lease liability		-	-	1 243	-	1 243
Post-employment medical aid costs	17	-	-	-	1 075	1 075
Deferred tax	9	-	-	-	72 341	72 341
		<b>-</b>	<b>7 651</b>	<b>1 243</b>	<b>73 416</b>	<b>82 310</b>
<b>Current liabilities</b>						
Trade and other payables	18	-	53 776	1 679	-	55 455
Other financial liabilities	16	-	3 419	-	-	3 419
Current tax payable		-	-	-	21 752	21 752
Provisions	19	-	-	-	8 944	8 944
Bank overdraft	14	-	17 986	-	-	17 986
		<b>-</b>	<b>75 181</b>	<b>1 679</b>	<b>30 696</b>	<b>107 556</b>
<b>Total liabilities</b>		<b>-</b>	<b>82 832</b>	<b>2 922</b>	<b>104 112</b>	<b>189 866</b>
<b>Total equity and liabilities</b>		<b>-</b>	<b>82 832</b>	<b>2 922</b>	<b>875 209</b>	<b>960 963</b>

### 36. CATEGORIES OF FINANCIAL INSTRUMENTS CONTINUED

	Notes	Debt instruments at amortised cost	Financial liabilities at amortised cost	Leases	Equity and non-financial assets and liabilities	Total
<b>2016</b>						
<b>Assets</b>						
<b>Non-current assets</b>						
Property, plant and equipment	3	-	-	-	124 596	124 596
Goodwill	4	-	-	-	18 165	18 165
Intangible assets	5	-	-	-	41	41
Loans to Group companies	8	78 396	-	-	-	78 396
Deferred tax	9	-	-	-	64	64
		<b>78 396</b>	<b>-</b>	<b>-</b>	<b>142 866</b>	<b>221 262</b>
<b>Current assets</b>						
Inventories	10	-	-	-	42 379	42 379
Trade and other receivables	11	32 399	-	-	15 871	48 270
Other financial assets	12	1 065	-	-	-	1 065
Current tax receivable	37	-	-	-	154	154
Biological assets	13	-	-	-	48 169	48 169
Cash and cash equivalents	14	23 516	-	-	-	23 516
		<b>56 980</b>	<b>-</b>	<b>-</b>	<b>106 573</b>	<b>163 553</b>
<b>Total assets</b>		<b>135 376</b>	<b>-</b>	<b>-</b>	<b>249 439</b>	<b>384 815</b>
<b>Equity and liabilities</b>						
<b>Equity</b>						
Equity attributable to equity holders of parent:						
Reserves	15	-	-	-	8 014	8 014
Retained income	15	-	-	-	217 466	217 466
		<b>-</b>	<b>-</b>	<b>-</b>	<b>225 480</b>	<b>225 480</b>
<b>Total equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>225 480</b>	<b>225 480</b>
<b>Liabilities</b>						
<b>Non-current liabilities</b>						
Other financial liabilities	16	-	10 764	-	-	10 764
Operating lease liability		-	-	2 065	-	2 065
Post-employment medical cost	17	-	-	-	1 153	1 153
Deferred tax	9	-	-	-	71 889	71 889
		<b>-</b>	<b>10 764</b>	<b>2 065</b>	<b>73 042</b>	<b>85 871</b>
<b>Current liabilities</b>						
Trade and other payables	18	-	20 815	-	32 428	53 243
Loans from Group companies	8	-	1 478	-	-	1 478
Other financial liabilities	16	-	3 280	-	-	3 280
Current tax payable		-	-	-	8 119	8 119
Provisions	19	-	-	-	7 344	7 344
		<b>-</b>	<b>25 573</b>	<b>-</b>	<b>47 891</b>	<b>73 464</b>
<b>Total liabilities</b>		<b>-</b>	<b>36 337</b>	<b>2 065</b>	<b>120 933</b>	<b>159 335</b>
<b>Total equity and liabilities</b>		<b>-</b>	<b>36 337</b>	<b>2 065</b>	<b>346 413</b>	<b>384 815</b>