



PREMIER FOOD AND FISHING LIMITED
(previously Sekunjalo Industrial Holdings Proprietary Limited)
(Incorporated in the Republic of South Africa)
(Registration number 1998/018598/06)
Share code: PFF, ISIN: ZAE000238309
(“PFF” or “the Company”)

LISTING OF PFF ON THE MAIN BOARD OF THE JSE LIMITED (“JSE”) AND ABRIDGED PRE-LISTING STATEMENT

1. INTRODUCTION

- 1.1. PFF operates a vertically integrated food and fisheries business, with its subsidiary Premier Fishing SA Proprietary Limited (“**Premier Fishing**”) being one of the largest black-owned and controlled fishing companies in South Africa. Premier Fishing is a well established industry player, having been in existence since 1952.
- 1.2. Shares of PFF have been granted a listing on the main board of the JSE from 2 March 2017 onwards, subject to the Company satisfying the JSE Listings Requirements regarding the spread of public shareholders (“**Listing**”).
- 1.3. The Company will, in conjunction with the Listing, undertake a private placement of up to approximately 117 million ordinary no par value shares in the Company’s share capital (“**Private Placement Shares**”), involving an offer to invited investors to subscribe for Private Placement Shares at a price of R4.50 per share (“**Placement Price**”) (“**Private Placement**”). Further details regarding the Private Placement appear in paragraph 4.5 below.
- 1.4. The abridged pre-listing statement appearing below is not an invitation to the public to subscribe for securities, but is issued in compliance with the JSE Listings Requirements, for the purpose of providing information to the public with regard to the Company.

2. DISTRIBUTION OF PRE-LISTING STATEMENT

- 2.1. PFF will today, 13 February 2017, publish a pre-listing statement regarding the Listing and the Private Placement and containing detailed information regarding the Company (“**Pre-listing Statement**”). The Pre-listing Statement will be available on the Company’s website at www.premierfishing.co.za.
- 2.2. Terms appearing in title case in this announcement and that are not otherwise defined herein, shall bear the meanings assigned to them in the Pre-listing Statement.

3. SALIENT DATES AND TIMES RELATING TO THE LISTING AND PRIVATE PLACEMENT

The salient dates and times relating to the Listing and Private Placement are set out below:

Abridged Pre-listing Statement published on SENS on	Monday, 13 February
Pre-listing Statement published on the Company's website (www.premierfishing.co.za) and made available for inspection on	Monday, 13 February
Abridged Pre-listing Statement published in the press on	Tuesday, 14 February
Opening date of Private Placement (09:00)	Monday, 20 February
Closing date of Private Placement (17:00)	Tuesday, 21 February
Notification of application to successful Invited Investors on	Friday, 24 February
Results of Private Placement released on SENS on	Friday, 24 February
Accounts at CSDPs/Brokers updated in respect of Dematerialised Shareholders on	Thursday, 2 March
Listing of Shares on the JSE expected at commencement of trade on (9:00)	Thursday, 2 March

- Notes:**
- The above dates are subject to change. Any such change will be announced on SENS.
 - All references to dates and times are to local dates and times in South Africa.
 - Invited Investors must advise their CSDP or Broker of their acceptance of the Private Placement Shares in the manner and cut-off time stipulated by their CSDP or Broker.
 - CSDPs effect payment on a delivery-versus-payment basis.

4. ABRIDGED PRE-LISTING STATEMENT OF PFF

4.1. BRIEF OVERVIEW OF PFF

PFF was incorporated on 18 September 1998. The businesses of the PFF Group are detailed below.

4.1.1. Premier Fishing

- 4.1.1.1. PFF's subsidiary, Premier Fishing, is a vertically integrated food and fishing company which specialises in the harvesting, processing and marketing of fish and fish-related products, as well as general food products. It employs more than 350 permanent and seasonal staff and its business includes factories, processing facilities and fishing vessels operating in three provinces. Its products range from rock lobster to octopus, squid, abalone, pilchards, hake, general food products and environmentally friendly agri-biotechnology products.
- 4.1.1.2. Premier Fishing is one of the largest black-owned and controlled fishing companies in South Africa and has been in existence since 1952. Premier Fishing has four operating divisions, two subsidiary companies and a number of joint venture operations.
- 4.1.1.3. Premier Fishing and its subsidiaries hold medium to long-term fishing rights in west coast rock lobster, south coast rock lobster, small pelagics (anchovy and pilchard), hake deep-sea trawl, longline and squid. In addition, through Marine Growers (see below), Premier Fishing owns an abalone farm and invests in organic agriculture through the "Seagro" range of products. Please

refer to the full Pre-listing Statement for further information regarding the fishing rights held and applied for by Premier Fishing.

4.1.1.4. Premier Fishing has various processing facilities and factories from Port Nolloth to Saldanha Bay, Hout Bay, Cape Town, Gansbaai as well as Humansdorp. Premier Fishing's processing vessels comply with European Union (EU) regulatory standards and operate in the fishing grounds between Port Alfred and Plettenberg Bay. Premier Fishing focuses its attention on the sustainability of marine life and is a member of the South African Fishing Ethically (SAFE) Association and is Food and Drug Administration (FDA) and Hazard Analyses & Critical Control Points (HACCP) certified.

4.1.2. **Marine Growers**

4.1.2.1. Premier Fishing's aquaculture business, Marine Growers, is involved in abalone farming and sells its abalone locally and internationally through the Atlantic Abalone brand. It produces more than 120 000 kg of cultured abalone per annum and is rated as one of the top five abalone farms in South Africa. Marine Growers (Atlantic Abalone) is based in Gansbaai in the Western Cape. The farm does much to ensure the sustainability of the species and makes a contribution to international trade while also representing a viable and highly profitable investment opportunity. The growth of the business as well as investment into new activities in aquaculture is a priority to the Group, not only for its potential returns but also because of its contribution to enviro-friendly sustainability.

4.1.2.2. Marine Growers also owns "Seagro", a producer of organic fertilisers. Seagro's range of organic fertilisers has a wide range of applications as biological fertilisers in the agricultural, horticultural, home and garden industries. All "Seagro" products are economical, environmentally friendly and compatible with insecticides and adjuvants.

4.1.3. **Premfresh**

4.1.3.1. Premfresh is the sales and marketing arm of Premier Fishing and has an experienced marketing team with a successful track record of more than 16 years in marketing of fish and fish related products. It also assists small quota holders with the marketing of their fish.

4.1.3.2. The niche nature of Premier Fishing's products enable the products to be pre-sold before they are caught or farmed.

4.1.4. **Products and quotas**

4.1.4.1. Premier Fishing has a well-diversified portfolio of product species with strong brands, both locally and globally, which are in high demand. The current basket of products consists of:

- | | |
|----------------------------|-----------------|
| - West Coast Rock Lobster | - Hake Trawl |
| - South Coast Rock Lobster | - Hake Longline |
| - Pilchards | - Abalone |
| - Anchovy | - Squid |

4.1.4.2. More than 65% of the revenue is derived from foreign sales. The Company has well established brands that have been in the market for many years. In the current markets where the products are sold, demand currently exceeds supply. South African fish species are highly sought after

globally due to their quality, taste and texture and are rated amongst the best in the world when compared to the Company's global competitors.

4.2. **RATIONALE FOR LISTING**

PFF's rationale for the Listing is:

- 4.2.1. to provide the Company with access to capital in order to grow its business both organically and by way of future acquisitions;
- 4.2.2. to allow the Company to use listed scrip to fund future acquisitions;
- 4.2.3. to give its employees and members of communities in which it operates, as well as the general public an opportunity to acquire an equity stake in the Company, following its Listing and thereby share in its potential success in the future; and
- 4.2.4. to provide Shareholders with a liquid, tradeable asset within a regulated environment and with a market-determined share price.

4.3. **PROSPECTS**

PFF is well positioned for growth over the next three years and into the future. As one of the largest black fishing companies in South Africa and given that current legislation is likely to promote black participation and black industrial development in this sector, this should be beneficial for the growth in this area. PFF will strive to grow through a combination of organic growth and earnings accretive acquisitions, so as to enhance Shareholder value and expand the business. PFF is committed to further improving operating efficiencies and profitability. PFF's trusted brands and high-quality products and services have been developed over many years.

4.4. **DIVIDEND POLICY**

- 4.4.1. The Company aims to distribute 30% of its annual free cash flow generated to Shareholders, subject to the relevant solvency and liquidity tests as defined in the Companies Act being met.
- 4.4.2. Various factors such as yearly working capital requirements and capital expenditure for maintenance and expansion will be taken into account in determining the free cash flow.

4.5. **PRIVATE PLACEMENT**

- 4.5.1. As indicated above, the Company will, in conjunction with the Listing, undertake the Private Placement by way of an offer to Invited Investors to subscribe for Private Placement Shares in the Company at the Placement Price of R4.50 per share. Such placement is to be implemented by the Company issuing up to approximately 117 million new Shares to Invited Investors, thereby raising approximately R526.5 million for the Company.
- 4.5.2. The proceeds of the Private Placement will be employed, *inter alia*, to provide PFF with additional capital to fund its further expansion.
- 4.5.3. Only persons who fall within the categories envisaged in section 96(1)(a) of the Companies Act or who subscribe for Private Placement Shares, the acquisition costs of which are not less than R1 million per single addressee acting as principal (as contemplated in section 96(1)(b) of the Companies Act), are entitled to participate in the Private Placement. Preference will be given to black Invited Investors.

4.6. **Conditions Precedent**

The Listing is conditional on (i) the Company meeting the public shareholder spread requirements of the JSE and (ii) the Directors of PFF, in their sole discretion, determining that the Company has achieved an appropriate level of black shareholding. In addition, should any of these Conditions Precedent fail, the Private Placement and any acceptance thereof shall not be of any force or effect and no person shall have any claim whatsoever against the Company or any other person as a result of the failure of the conditions.

4.7. **STATEMENT AS TO LISTING ON THE JSE**

The JSE has granted the Company a listing of all its issued Shares on the JSE main board under the abbreviated name "PFF", share code "PFF" and ISIN ZAE000238309 with effect from the commencement of trade on 2 March 2017, subject to the Company having satisfied the JSE Listings Requirements regarding the spread of public shareholders. The Company will be listed in the "Farming, Fishing & Plantations" sector of the main board.

4.8. **SHARE CAPITAL**

4.8.1. The authorised and issued share capital of the Company, as at the last practicable date prior to the finalisation of the Pre-listing Statement, is set out below:

	Number of Shares	R'000
Authorised share capital		
Ordinary Shares of no par value	2 000 000 000	-
Issued share capital		
Stated capital – ordinary Shares of no par value	143 000 000	-
Shares held in treasury	-	-

4.8.2. Following the Private Placement, the authorised and issued share capital of the Company on the Listing Date is expected to be as follows:

	Number of Shares	R'000
Authorised share capital		
Ordinary Shares of no par value	2 000 000 000	-
Issued share capital		
Stated capital – ordinary Shares of no par value	260 000 000	517 500
Shares held in treasury	-	-

4.9. PFF DIRECTORS

The full names, ages, business addresses and capacities of the directors of PFF are provided below:

Full name	Age	Capacity	Business Address
Reverend Dr Vukile Charles Mehana	64	Independent non-executive Chairman	Level 3, 34 Whiteley Road, Melrose Arch, 2196, Johannesburg, South Africa
Khalid Abdulla	51	Non-executive Deputy Chairman	Quay 7, East Pier, Breakwater Boulevard, V&A Waterfront, Cape Town, 8001
Rosemary Phindile Mosia	49	Independent non-executive Director	66 Loch Road, Rondebosch, 7700
Salim Young	59	Independent non-executive Director	17 Belair Drive, Constantia, Cape Town, 8001
Mogamat Samir Saban	39	Chief Executive Officer	Quay 7, East Pier, Breakwater Boulevard, V&A Waterfront, Cape Town, 8001
Isaiah Tatenda Bundo	34	Chief Financial Officer	Quay 7, East Pier, Breakwater Boulevard, V&A Waterfront, Cape Town, 8001
Rushaan Isaacs	39	Sales and Marketing Director	Quay 7, East Pier, Breakwater Boulevard, V&A Waterfront, Cape Town, 8001
Cherie Felicity Hendricks	54	Non-executive Director	Quay 7, East Pier, Breakwater Boulevard, V&A Waterfront, Cape Town, 8001
Aziza Begum Amod	55	Independent non-executive Director	26 Mayfield Avenue, Rondebosch, Cape Town, 8001
Takudzwa Tanyaradzwa Hove	34	Independent non-executive Director	10 th Floor, Conventional Tower, Heerengracht Street, Cape Town, 8000
Clifford Leonard van der Venter	52	Independent non-executive Director	545 Les Lions Street, Val de Vie Estate, Paarl

Arthur William Johnson	49	Independent non-executive Director	Claremont Central, 4th Floor, 8 Vineyard Road, Claremont, 7700
Lavendra Sandrigasen Naidoo	48	Independent non-executive Director	Claremont Central, 4th Floor, 8 Vineyard Road, Claremont, 7700
Fredelaine Elna Cindy Brand	28	Independent non-executive Director	Claremont Central, 4th Floor, 8 Vineyard Road, Claremont, 7700

4.10. COPIES OF THE PRE-LISTING STATEMENT

4.10.1. Copies of the Pre-listing Statement are available in English only and may be obtained and are available for inspection during normal office hours from 13 February 2017 until 2 March 2017 at the registered office of PFF at Quay 7, Breakwater Boulevard, East Pier, V & A Waterfront, Cape Town, 8001 and at the offices of PFF's sponsor, PSG Capital Proprietary Limited, at 1st Floor, Ou Kollege, 35 Kerk Street, Stellenbosch, 7600 and 1st Floor, Building 8, Inanda Greens Business Park, 54 Wierda Road West, Wierda Valley, Sandton, 2196. The Pre-listing Statement is also be available on the Company's website at www.premierfishing.co.za.

4.10.2. Please refer to the full Pre-listing Statement for a detailed appreciation of PFF, its Listing and the Private Placement.

4.11. APPLICATIONS UNDER PRIVATE PLACEMENT

PSG Capital is acting as the transaction advisor, sponsor and bookrunner to the Listing. The market roadshow is planned for the week starting on Monday, 13 February 2017. Wide audience presentations will be held in Johannesburg on Tuesday, 14 February 2017 and Cape Town on Thursday, 16 February 2017. Interested parties can contact Willie Honeyball at PSG Capital on 021 887 9602 / 071 173 4729 or willieh@psgcapital.com.

Cape Town

13 February 2017



**Transaction Advisor,
Sponsor and Bookrunner**



Attorneys



**Independent Reporting
Accountant**



Corporate Advisory