



Photo: Sea Harvest

Sea Harvest says it is 'poised for organic, acquisitive growth'

This year, company shareholders invested around \$44 million in capital investment and growth.

by IntraFish Media

South African fishing giant Sea Harvest saw significant growth over the past two years, and has big ambitions for 2017.

This year alone the company's shareholders invested close to ZAR 600 million (€41.1 million/\$44.3 million) in capital investment and growth which has led to Sea Harvest becoming one of the largest vertically integrated black-owned fishing companies in the country.

During 2016, the company acquired 19.9 percent of Mareterram Limited, an Australian vertically integrated agri-business, listed on the Australian Stock Exchange.

Sea Harvest further increased its stake in Mareterram to 56 percent, a controlling interest, in July this year.

“We are very excited by our acquisition in Australia. It allows us to fortify our ability to earn foreign currency and provides a great platform for further growth in Australia,” said Felix Ratheb, CEO of Sea Harvest and non-executive director of Mareterram.

“Even though cross-border acquisitions are never easy we have an experienced team on that side that is more than capable of delivering on the group strategy of being a diversified agribusiness,” he said.

Further investments made by the business over the past 24 months include a ZAR 300 million (€20.5 million/\$22.2 million) outlay in vessels and infrastructure to ensure it continues to be efficient, and sustainable.

At a shareholder level, Brimstone Investment Corporation invested ZAR 250 million (€17.1 million/\$18.5 million) in acquiring Kagiso Tiso Holding's share of Sea Harvest, allowing it to increase its controlling share to 85 percent.

This acquisition consolidated the company's position as one of the most transformed fishing companies in the industry, now being 91 percent black-owned.

“Our commitment to transformation and job creation in the fishing industry will continue into the future,” said Fred Robertson, chairman of Sea Harvest and Brimstone.

Continued revenue growth

In 2016, positive revenue growth can be seen in most markets, particularly in Europe, the company said.

“We continue to experience positive growth in all markets as the demand for sustainably caught hake grows, the opportunities for us to diversify our currency are there as we seek to make Cape Hake the protein of choice the world over,” said Konrad Geldenhuys, sales and marketing director at Sea Harvest.

After the difficulties faced by the business post the 2008 global financial and southern European sovereign debt crises the business has seen a turnaround where its current compound annual growth rate (CAGR) on revenue has increased by over 10 percent since 2011, and its earnings before interest and tax (EBIT) has increased by over 60 percent since 2014.

Sea Harvest is well poised for organic and acquisitive growth, the company said.

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