

# Sea Harvest casts its net back onto JSE after 17 years

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About 17 years after delisting from the JSE, fishing group Sea Harvest - now with Australian operations complementing its core frozen hake offering - trawled quietly back onto the bourse on Thursday.



[Image Source: Sea Harvest](#)

There was not the usual froth that accompanies a sizeable new listing on the JSE. Market watchers suggested that some investor wariness may stem from perceptions that a stronger rand might weigh on Sea Harvest's substantial export earnings in the financial year ahead. Apart from holding a dominant position in the local frozen hake category, Sea Harvest is also a large exporter of hake to Europe, North America and Australia.

Last week, Sea Harvest - which is controlled by empowerment company Brimstone - raised R1.33bn by placing new shares with investors at R12.50 a share. Shares were initially pitched in a price range between R12 a share and R14.50 a share. The proceeds will be used partly to retire debt and settle preference shares, with a chunk of capital left over for Sea Harvest to pursue acquisitions locally and abroad.

On listing, Sea Harvest carried a market capitalisation of more than R3bn and touched an intraday high of R13.50 before settling back at about R13 in reasonable trade volumes. It closed at R12.92.

## Fishing industry trio

Sea Harvest - which also controls Australian Stock Exchange-listed seafood business Mareterram - is the second fishing listing on the JSE in recent weeks. Earlier this month, Premier Fishing, which is controlled by African Empowerment Equity Investments, made its market debut.

This means the JSE now hosts three fishing industry listings with Tiger Brands-controlled Oceana Group by far the biggest. Consumer brands conglomerate AVI also owns a sizeable business in subsidiary I&J.

Vunani Securities analyst Anthony Clark said the Sea Harvest initial public offer (IPO) did its job. "It raised money for Brimstone, allowing debt to be repaid, provided expansion capital for Sea Harvest and placed a market value on a large asset within the Brimstone portfolio."

However, Clark argued the opening price - especially considering the low-end placement price - of the IPO could be seen to be a "wet fish".

*Source: Business Day*

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