



Head office: 4th floor, 5 St Georges Mall, Cape Town

T: +27 (0)21 421 5368 | F: +27 (0)21 421 0001 | pionfish@pioneerfishing.co.za | www.pioneerfishing.co.za

Glenryck acquisition bodes well for growth and expansion of Pioneer Fishing

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CAPE TOWN – African Pioneer Marine (Pty) Ltd (APM), the majority shareholder in Pioneer Fishing, has acquired Glenryck South Africa (Pty) Ltd. The transaction was officially approved by the Competition Commission of South Africa this week.

Pieter Greeff, CEO of Pioneer Fishing, describes the move as “opening up and creating some exciting opportunities, not only with canned fish, but also frozen fish products and other related product development”.

“It will allow us to expand our brand and product categories substantially,” he adds.

Glenryck South Africa (established in 2016) was formerly owned by the Bidvest group. The brand itself has a history dating back as far as 1937 and is one of South Africa’s most widely recognised producers of premium canned pilchards, a popular and affordable food source the world over.

Stephen Dondolo, CEO of the African Pioneer Group (APG), which owns APM, explains the primary motivation for the purchase as follows: “We acquired control of Pioneer Fishing in December 2018. It was soon noted that the company would benefit from owning a recognised premium brand to support our future vision and strategy for expansion. The incorporation of Glenryck, a name that is firmly established in the local market, is therefore a logical step in our growth.”

“The acquisition will enable Pioneer Fishing to increase production volumes and also create more year-round jobs.” Canned fish product for the brand will now be primarily produced at Oranjevis, Pioneer Fishing’s cannery in St Helena Bay. “Creating employment opportunities and enhancing skills development is a large part of African Pioneer’s overall vision and mission,” adds Dondolo.

Pioneer Fishing is a 100% black-owned business: Apart from APM’s 90% share, the remaining 10% stake is held by the Employee Share Ownership Programme (ESOP). This programme allows long-serving, permanent and seasonal employees to participate in and benefit from the appreciation in the value of Pioneer Fishing’s shares and annual distributions based on dividends paid from profits. States Dondolo: “The successful conclusion of the transaction allows APG to continue to fulfil its mandate of working towards true transformation and empowerment in the local fishing industry.”

According to Greeff, in terms of environmental sustainability the Glenryck acquisition is also a positive move: “To manage a sustainable marine processing facility, you need a guaranteed source of quality raw material, a motivated workforce, modern reliable equipment and a recognised brand that gives you assurance of continuous movement of product into the market to keep consumers supplied. Now we have all that.”

“The purchase potentially strengthens our position in obtaining commercial fishing rights through the fishing rights allocation process (FRAP) managed by the Department of the Environment, Forest and Fisheries (DEFF),” says Greeff. DEFF recently extended the current application process to December 2021.

Pioneer Fishing currently produces canned pilchards at Oranjevis in St Helena Bay, and markets the product under the Sea Pride brand, mainly sold to wholesalers and institutional and school feeding programmes. Oranjevis also supplies canned pilchards to retailers under private label or house brands. According to the Competition Commission, the current combined share of the South African canned pilchard market for Glenryck and Sea Pride poses no threat to the market.

Greeff believes that instead the move will ultimately benefit consumers by diversifying and enhancing their product basket: “While we’re up against well-established and strong local brands, our strategy and vision are to keep growing the Glenryck name here in South Africa, as well as in other SADC countries.” Glenryck products will be exported to Mauritius, Namibia, Botswana, Swaziland, Lesotho, among other nations.

“This acquisition gives us access to the expertise of the human capital behind the building of the Glenryck brand. The team is comprised of experienced and well-established sales and marketing professionals, and we are excited to have them on board,” observes Greeff.

African Pioneer is also exploring other product extensions for Glenryck, and plans to launch the first of these by next year. “Pioneer isn’t part of our name for nothing,” quips Greeff. “We view the challenge to significantly grow our market share as an immense opportunity – one that will ultimately offer long-term empowerment benefits to the communities we operate in and from.”

[End]

About Glenryck South Africa

- Glenryck South Africa was established in 2016 as an independent company by its then owner, Bidvest Namibia.
- Glenryck South Africa remains based in Gauteng and now becomes a wholly owned subsidiary of African Pioneer Marine (which also owns 90% of Pioneer Fishing).
- Piet Brink (former Glenryck financial director) has been appointed the company’s new CEO.
- Stravros Deligianidis will continue as Glenryck’s sales and marketing director.
- The Glenryck sales and marketing team will be responsible for growing all Pioneer Fishing products and brands in the various markets.

General note

- The terms “sardine” and “pilchard” are not precise, and what is meant depends on the region. They refer to any of various small edible marine fishes of the family *Clupeidae*, especially a commercially important European species, *Sardina pilchardus*, which is often canned. Small pilchards are sometimes called sardines. A general criterion is that fish shorter in length than 15 cm are sardines, and larger fish are pilchards.

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Enquiries: Vuyolwethu Goba

(assistant to Stephen Dondolo, CEO of the African Pioneer Group)

T: 041 509 3515 | C: 067 108 7999 | E: vuyo@africanpioneer.co.za