

KAKUZI PLC

ANNOUNCEMENT OF GROUP RESULTS FOR THE YEAR ENDED 31 DECEMBER 2017

Condensed consolidated statement of profit or loss and other comprehensive income

	31 December 2017 Shs'000	31 December 2016 Shs'000
Sales	<u>2,823,926</u>	<u>2,651,199</u>
Profit before fair value gain in non-current biological assets and income tax	766,324	690,543
Fair value gain in non-current biological assets	82,799	67,236
Profit before income tax	<u>849,123</u>	<u>757,779</u>
Income tax expense	<u>(257,480)</u>	<u>(195,354)</u>
Profit for the year	<u>591,643</u>	<u>562,425</u>
Other comprehensive income:		
<i>Items that are not reclassified to profit or loss:</i>		
Remeasurement of post employment benefit obligations (net of tax)	1,735	5,936
Total comprehensive income	<u>593,378</u>	<u>568,361</u>
Earnings per share (Shs):		
Basic and diluted earnings per ordinary share	<u>30.19</u>	<u>28.70</u>

Condensed Consolidated Statement of Financial Position

	31 December 2017 Shs'000	31 December 2016 Shs'000
EQUITY		
Share capital	98,000	98,000
Other reserves	16,607	14,872
Retained earnings	4,070,229	3,615,786
Proposed dividends	<u>137,200</u>	<u>117,600</u>
Total equity	<u>4,322,036</u>	<u>3,846,258</u>
Non-current liabilities	<u>807,190</u>	<u>801,418</u>
	<u>5,129,226</u>	<u>4,647,676</u>
REPRESENTED BY		
Non-current assets	<u>3,338,922</u>	<u>3,015,067</u>
Current assets	758,455	618,771
Cash and bank balances	1,648,749	1,430,576
Current liabilities	<u>(616,900)</u>	<u>(416,738)</u>
Net current assets	<u>1,790,304</u>	<u>1,632,609</u>
	<u>5,129,226</u>	<u>4,647,676</u>

OVERVIEW:

The above is an extract from the financial statements which have been prepared in accordance with the International Financial Reporting Standards (IFRS) and audited by Deloitte & Touche, Certified Public Accountants of Kenya, and on which an unqualified opinion has been issued.

A commendable set of results for 2017 showing a pre-tax profit of Shs 849 million against Shs 758 million of last year. The earnings per ordinary share increased from Shs 28.70 in 2016 to Shs 30.19 in 2017. The increase in profit is as a result of continued market demand for Avocado and Macadamia throughout the year. Profitability within the Tea operations continued to reflect the difficult trading conditions and significant inflationary pressure on labour and other production costs.

DIVIDEND:

The Directors recommend the payment of a first and final dividend for the financial year 2017 of Shs 7.00 per ordinary share (2016: Shs 6.00) subject to shareholders' approval. The dividend shall be paid on or about 30 June 2018 to the shareholders on the members' register at the close of business on Thursday, 31 May 2018.

ANNUAL GENERAL MEETING:

The Annual General Meeting of the Company will be held on Tuesday 15 May 2018 at 12.00 Noon at Nairobi Serena Hotel.

BY ORDER OF THE BOARD

G H Mclean
Chairman
22 March 2018