

**KAKUZI LIMITED**  
**EXTRACT FROM THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD OF SIX MONTHS TO 30 JUNE 2014**

The unaudited results for the Kakuzi Group for the period of six months to 30 June 2014 and the comparative figures for the previous year are as follows:

| <b>Condensed Consolidated Statement of Comprehensive Income</b>                  |                     |                     |
|--|---------------------|---------------------|
|  | <b>30 June 2014</b> | <b>30 June 2013</b> |
|  | <b>Shs'000</b>      | <b>Shs'000</b>      |
| <b>Sales</b>   | <u>447,623</u>      | <u>428,988</u>      |
| Profit before fair value gain in Biological assets and income tax                | 57,732              | 91,857              |
| Fair value gain in Biological assets   | <u>18,506</u>       | <u>21,015</u>       |
| <b>Profit before income tax</b>  | 76,238              | 112,872             |
| Income tax expense   | <u>(27,282)</u>     | <u>(35,700)</u>     |
| <b>Profit for the period</b>   | 48,956              | 77,172              |
| Other Comprehensive Income   | -                   | -                   |
| <b>Total comprehensive income</b>  | <u>48,956</u>       | <u>77,172</u>       |
| <b>Total comprehensive income attributable to Equity holders of the company:</b> | <u>48,956</u>       | <u>77,172</u>       |
|  | <b>Shs</b>          | <b>Shs</b>          |
| <b>Earnings per share attributable to equity holders of the company:</b>         |                     |                     |
| Basic and diluted earnings per stock unit  | <u>2.50</u>         | <u>3.94</u>         |

| <b>Condensed Consolidated Statement of Financial Position</b> |                     |                     |                         |
|---|---------------------|---------------------|-------------------------|
|   | <b>30 June 2014</b> | <b>30 June 2013</b> | <b>Audited</b>          |
|   | <b>Shs'000</b>      | <b>Shs'000</b>      | <b>31 December 2013</b> |
|   |                     |                     | <b>Shs'000</b>          |
| <b>EQUITY</b>   |                     |                     |                         |
| Share capital   | 98,000              | 98,000              | 98,000                  |
| Other reserves  | 9,986               | (1,289)             | 9,986                   |
| Retained earnings   | 2,771,498           | 2,708,186           | 2,722,542               |
| Proposed dividends  | -                   | -                   | 73,500                  |
| <b>Total equity</b>   | <u>2,879,484</u>    | <u>2,804,897</u>    | <u>2,904,028</u>        |
| Non-current liabilities                                       | <u>684,697</u>      | <u>648,843</u>      | <u>666,334</u>          |
|   | <u>3,564,181</u>    | <u>3,453,740</u>    | <u>3,570,362</u>        |
| <b>REPRESENTED BY</b>   |                     |                     |                         |
| Non-current assets  | <u>2,630,233</u>    | <u>2,422,813</u>    | <u>2,546,888</u>        |
| Current assets  | 350,214             | 349,114             | 265,897                 |
| Cash and cash equivalents                                     | 793,019             | 859,697             | 904,758                 |
| Current liabilities   | <u>(209,285)</u>    | <u>(177,884)</u>    | <u>(147,181)</u>        |
| Net current assets  | <u>933,948</u>      | <u>1,030,927</u>    | <u>1,023,474</u>        |
|   | <u>3,564,181</u>    | <u>3,453,740</u>    | <u>3,570,362</u>        |

**Overview:**

The above is an extract from the interim financial statements which have been prepared in accordance with the International Financial Reporting Standards (IFRS).

The major cause of the reduced profits has been mainly due to the lower tea prices in the first half of the year and the increased cost charges to revenue on Macadamia as early planted fields come to maturity.

Our Balance Sheet remains strong and under present conditions we would look towards similar profit levels to last year but as is often stated by your Directors, forecasting in a commercial agriculture environment is difficult.

The Directors do not recommend the payment of an Interim Dividend.

**BY ORDER OF THE BOARD**

**K W Tarplee**  
**Chairman**  
**26 August 2014**