

KAKUZI PLC

EXTRACT FROM THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD OF SIX MONTHS TO 30 JUNE 2017

The unaudited results for the Kakuzi Group for the period of six months to 30 June 2017 and the comparative figures for the previous year are as follows:

Condensed Consolidated Statement of Comprehensive Income		
	30 June 2017	Restated
	Shs'000	30 June 2016
		Shs'000
Sales	<u>547,277</u>	<u>437,347</u>
Profit before fair value gain in biological assets and income tax	85,462	44,523
Fair value gain in biological assets	<u>20,000</u>	<u>19,054</u>
Profit before income tax	105,462	63,577
Income tax expense	<u>(32,259)</u>	<u>(18,189)</u>
Profit for the period	73,203	45,388
Other Comprehensive Income	-	-
Total comprehensive income	<u>73,203</u>	<u>45,388</u>
Total comprehensive income attributable to equity holders of the company:	<u>73,203</u>	<u>45,388</u>
	Shs	Shs
Earnings per share attributable to equity holders of the company:		
Basic and diluted earnings per ordinary share	<u>3.73</u>	<u>2.32</u>

Condensed Consolidated Statement of Financial Position			
	30 June 2017	Restated	31 December 2016
	Shs'000	30 June 2016	Shs'000
		Shs'000	Shs'000
EQUITY			
Share capital	98,000	98,000	98,000
Other reserves	14,872	8,936	14,872
Retained earnings	3,688,989	3,216,349	3,615,786
Proposed dividends	-	-	117,600
Total equity	<u>3,801,861</u>	<u>3,323,285</u>	<u>3,846,258</u>
Non-current liabilities	<u>836,733</u>	<u>734,181</u>	<u>801,418</u>
	<u>4,638,594</u>	<u>4,057,466</u>	<u>4,647,676</u>
REPRESENTED BY			
Non-current assets	<u>3,037,497</u>	<u>2,906,372</u>	<u>3,015,067</u>
Current assets	884,675	766,713	618,771
Cash and cash balances	1,143,772	731,663	1,430,576
Current liabilities	<u>(427,350)</u>	<u>(347,282)</u>	<u>(416,738)</u>
Net current assets	<u>1,601,097</u>	<u>1,151,094</u>	<u>1,632,609</u>
	<u>4,638,594</u>	<u>4,057,466</u>	<u>4,647,676</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 profit before tax for the period to 30 June 2017 was KSh105.5 million compared to a restated profit of KSh63.6 million for the same period last year. The 2016 half year profits have been restated due to changes in the Accounting Standards.

During the period under review, tea profits were depressed due to lower volumes partly offset by better prices arising from dry weather conditions in quarter one. Avocado results are in line with last year's performance whilst macadamia results are affected by lower than expected yields.

It is difficult, at present, to predict financial performance for the year with erratic supply and demand, climatic conditions together with exchange rates to contend with.

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

BY ORDER OF THE BOARD

G H MCLEAN
CHAIRMAN
04 August 2017