

## **Much more than a farm: Kakuzi outlines plans to sustain positioning as an integrated international markets focused agribusiness enterprise**

**14/05...**Listed agribusiness firm Kakuzi PLC has outlined a strategic growth plan to enhance its returns on investment score and sustain its growing positioning as an integrated international business.

Speaking at the firm's 96th Annual General Meeting, Kakuzi PLC Nicholas Ng'ang'a said the agribusiness enterprise, which has the vision to be Africa's leading superfoods producer and exporter, will maintain a heavy focus on sustainable crop and animal production to boost shareholder returns.

The firm, he added, will also explore non-agricultural revenue streams which are in line with our long-term strategies. Ongoing diversification plans, he said, are also in high gear to reduce the firm's reliance on two key crops (macadamia and avocado), with the Blueberry pilot project showing positive results. The diversification strategy also features a market expansion programme with enhanced domestic sales and exports to emerging markets such as India and China beyond the current European mainstay.

"Kakuzi PLC has over the last few years laid a solid corporate governance, business growth and return on investment foundation. We are not just a farm, we are now an integrated, sophisticated agribusiness enterprise with a capacity to be a leading player in the international markets," Mr Ng'ang'a said.

He added, "We must continue to make good decisions to sustain growth with diversification of crops, developing our markets, both domestically and internationally, and our value-added range being vital pillars of our plans. Still, we must ensure we do this responsibly and responsively to climate action needs."

"Our planning is and must remain for long term value rather than short term returns". Mr Ng'ang'a emphasized adding that the company has maintained an enviable track record on dividend payments over the last 5 years.

As part of the strategic growth strategies, Kakuzi PLC Managing Director Mr Chris Flowers confirmed plans to nearly double avocado production and exports from 3 million four-kilo equivalent cartons to 5 million over the next ten years.

"This will be achieved by a combination of young orchards coming online and completing the plantings next year, as we also seek to mitigate market and shipping risks by using different varieties that mature during different periods of the year," Mr Flowers said.

He added that Macadamia production will also be ramped up from 900 tons of kernel to 1,500 tons over the next ten years.

To facilitate sustainable production, Kakuzi, Mr Flowers said, is banking on strategic water harvesting and irrigation to improve yields while introducing new macadamia varieties from Hawaii and maybe, in time, the latest Australian varieties.

In environmental stewardship, Kakuzi is working closely with government and commercial sector players to expand the use of integrated pest management and technology in agriculture to minimise the use of chemicals. As part of the firm's Agricultural Technology (AgTech) ventures, Mr Flowers singled out investments in Artificial Intelligence systems for crop husbandry and management.

“At Kakuzi, we are clear that artificial intelligence (AI) will undoubtedly have a role to play in our operations, and we plan to invest in AI-linked Ag-tech solutions as part of our commitment to increasing our operating efficiencies,” Mr Flowers said.

Last year, Kakuzi recorded a pre-tax profit of Ksh 664 million, which was impacted by a Ksh 354 million pre-tax loss from its macadamia operations. Kakuzi avocado divisional operations performed well, recording a pre-tax profit of Ksh 1.4 Billion, up from Ksh 0.8 Billion posted the previous year.

**Ends**

#### **About Kakuzi PLC**

Kakuzi PLC is a listed Kenyan superfoods producer on the Nairobi and London Stock Exchange, engaging in cultivating, processing and marketing avocados, blueberries, macadamia, tea, livestock and commercial forestry. At Kakuzi, we continuously strive to build a sustainable agricultural portfolio that can mitigate weather risks to which the sector has historically been subjected. Our development plans are in full swing, with significant additional areas of avocado and macadamia planted and initial trials for blueberry development running well. We operate in two separate locations in Kenya; our main operation and Head Offices are based in Makuyu, Murang'a County. The Kakuzi (Kaboswa) Tea Estate is situated in Nandi Hills, Nandi County. [www.kakuzi.co.ke](http://www.kakuzi.co.ke)