

KAKUZI

Growing Together

KAKUZI PLC

EXTRACT FROM THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD OF SIX MONTHS TO 30 JUNE 2024

The unaudited results for the Kakuzi Group for the period of six months to 30 June 2024 and the comparative figures for the previous year are as follows:

Condensed Consolidated Statement of Profit or Loss and other Comprehensive Income

	30 June 2024 Shs'000	30 June 2023 Shs'000
Sales	1,175,166	873,155
Profit before fair value gain in non-current biological assets and income tax	485,583	149,528
Fair value gain in non-current biological assets	21,509	21,591
Profit before income tax	507,092	171,119
Income tax expense	(159,581)	(53,621)
Profit for the period	347,511	117,498
Other Comprehensive Income:		
<i>Items that are not reclassified to profit or loss:</i>		
Remeasurement of post-employment benefit obligations (net of tax)	-	-
Total comprehensive income	347,511	117,498
	Shs	Shs
Earnings per share (Shs):		
Basic and diluted earnings per ordinary share	17.73	5.99

Condensed Consolidated Statement of Financial Position

	30 June 2024 Shs'000	30 June 2023 Shs'000	Audited 31 December 2023 Shs'000
EQUITY			
Share capital	98,000	98,000	98,000
Other reserves	34,929	32,815	34,929
Retained earnings	5,678,264	5,465,134	5,330,753
Proposed dividends	-	-	470,400
Total equity	5,811,193	5,595,949	5,934,082
Non-current liabilities	1,244,674	1,203,079	1,299,213
	7,055,867	6,799,028	7,233,295
REPRESENTED BY			
Non-current assets	3,986,091	4,097,646	4,055,135
Cash assets excluding cash and bank balances	3,456,440	2,842,579	2,152,846
Cash and bank balances	130,377	239,675	1,408,131
Current liabilities	(517,041)	(380,872)	(382,817)
Net working capital	3,069,776	2,701,382	3,178,160
	7,055,867	6,799,028	7,233,295

Condensed Consolidated Statement of Cash flows

	30 June 2024 Shs'000	30 June 2023 Shs'000
Cash and cash equivalents at the beginning of the period	1,408,131	1,408,744
Net cash used in operating activities	(536,131)	(597,169)
Net cash used in investing activities	(107,891)	(159,841)
Net cash used in financing activities	(470,400)	(470,400)
Effect of exchange rate differences on cash and cash equivalents	(163,332)	58,341
Decrease in cash and cash equivalents	(1,277,754)	(1,169,069)
Cash and cash equivalents at the end of the period	130,377	239,675

Condensed Consolidated Statement of Changes in Equity

	Share capital Shs'000	Other reserves Shs'000	Retained earnings Shs'000	Proposed dividends Shs'000	Total Equity Shs'000
At start of the period	98,000	34,929	5,330,753	470,400	5,934,082
Profit for the period	-	-	347,511	-	347,511
Dividends paid	-	-	-	(470,400)	(470,400)
At end of period	98,000	34,929	5,678,264	-	5,811,193

KEY HIGHLIGHTS

- Avocado profits were Ksh 951 million, up 42% on the same period last year.
- Macadamia markets are recovering from last year's slump. A profit of Ksh.32 million has been recorded against a loss of Ksh.329 million last year.
- The diversification into an expanded range of value addition products, sold through our Kakuzi Farm Market and the Boran Barn has made a positive contribution to sales.
- Pretax profit for half year is significantly higher than last year at Ksh.507 million.
- Profits have been negatively impacted by a foreign exchange loss of Ksh.163million.

TRADING PERFORMANCE

The half-year trading period for the financial year 2024 has been positively impacted by a buoyant international avocado market, created predominantly by reduced global supply. Demand for macadamia nuts has returned to pre-COVID levels. Although macadamia prices have recovered some ground, they remain below pre-COVID levels.

Our commitment to promoting responsibly grown Kenyan superfoods in both traditional and emerging markets is unwavering. Quality, traceability, and sustainability are our key drivers, and we are encouraged to see a growing customer base appreciating our value-added produce range of edible oil, fresh meats, roasted and coated macadamia nuts.

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

BY ORDER OF THE BOARD

NICHOLAS NG'ANG'A
CHAIRMAN
20 AUGUST 2024