

KAKUZI PLC

ANNOUNCEMENT OF GROUP RESULTS FOR THE YEAR ENDED 31 DECEMBER 2021

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

| | 31 December 2021 Shs'000 | 31 December 2020 Shs'000 |
|---|-----------------------------|-----------------------------|
| Sales | 3,296,414 | 3,608,941 |
| Profit before fair value gain in non-current biological assets and income tax | 333,435 | 789,719 |
| Fair value gain in non-current biological assets | 138,121 | 57,813 |
| Profit before income tax | 471,556 | 847,532 |
| Income tax expense | (151,820) | (225,498) |
| Profit for the year | 319,736 | 622,034 |
| Other Comprehensive Income: | | |
| <i>Items that are not reclassified to profit or loss:</i> | | |
| Remeasurement of post-employment benefit obligations (net of tax) | 6,038 | 490 |
| Total comprehensive income | 325,774 | 622,524 |
| | Shs | Shs |
| Earnings per share (Shs): | | |
| Basic and diluted earnings per ordinary share | 16.31 | 31.74 |

Condensed Consolidated Statement of Financial Position

| | 31 December 2021 Shs'000 | 31 December 2020 Shs'000 |
|---|-----------------------------|-----------------------------|
| EQUITY | | |
| Share capital | 98,000 | 98,000 |
| Other reserves | 37,991 | 31,953 |
| Retained earnings | 4,972,232 | 5,083,696 |
| Proposed dividends | 431,200 | 352,800 |
| Total equity | 5,539,423 | 5,566,449 |
| Non-current liabilities | 1,070,957 | 1,080,470 |
| | 6,610,380 | 6,646,919 |
| REPRESENTED BY | | |
| Non-current assets | 3,929,196 | 3,990,042 |
| Current assets excluding cash and cash balances | 1,302,056 | 1,246,650 |
| Cash and bank balances | 1,656,219 | 1,670,124 |
| Current liabilities | (277,091) | (259,897) |
| Net current assets | 2,681,184 | 2,656,877 |
| | 6,610,380 | 6,646,919 |

Condensed Consolidated Statement of Cash flows

| | 31 December 2021 Shs'000 | 31 December 2020 Shs'000 |
|---|-----------------------------|-----------------------------|
| Cash and cash equivalents at the beginning of the year | 1,670,124 | 1,696,130 |
| Net cash generated from operating activities | 556,796 | 541,255 |
| Net cash used in investing activities | (233,896) | (358,206) |
| Net cash used in financing activities | (352,803) | (274,413) |
| Net exchange gains on foreign currency cash & cash equivalent | 15,998 | 65,358 |
| Decrease in cash and cash equivalents | (13,905) | (26,006) |
| Cash and cash equivalents at the end of the year | 1,656,219 | 1,670,124 |

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 |
|---------------------------------|-----------------------------|------------------------------|---------------------------------|----------------------------------|----------------------------|
| On 1.1.2021 | 98,000 | 31,953 | 5,083,696 | 352,800 | 5,566,449 |
| Profit for the year | - | - | 319,736 | - | 319,736 |
| Other comprehensive income | - | 6,038 | - | - | 6,038 |
| Dividends – final paid for 2020 | - | - | - | (352,800) | (352,800) |
| – proposed for 2021 | - | - | (431,200) | 431,200 | - |
| On 31.12.2021 | 98,000 | 37,991 | 4,972,232 | 431,200 | 5,539,423 |

OVERVIEW:

The year saw the group post reduced earnings due to lower avocado production and prices. This was due to the avocado orchards entering their bi-annual offseason bearing cycle which results in a large crop of avocados in one year, followed by a small crop the following year. We, however, experienced greater earnings from macadamia sales during the year as a result of increased yields from our young orchards. Product diversification and value addition remain key investment areas to enhanced stakeholder value and our continued commitment to these is critical for the long term.

DIVIDEND:

Your Board recommends an increase in the dividend per share to Shs 22.00 compared to Shs 18.00 per share in 2020. The dividend shall be paid on or about 30 June 2022 to the shareholders on the members' register at the close of business on Tuesday, 31 May 2022.

ANNUAL GENERAL MEETING:

The Annual General Meeting of the Company will be held virtually on Tuesday, 17 May 2022 at 12.00 Noon.

BY ORDER OF THE BOARD

NICHOLAS NG'ANG'A
CHAIRMAN
22 MARCH 2022



Deloitte & Touche LLP
Deloitte Place
Waiyaki Way, Muthangari
P.O. Box 40092 - GPO 00100
Nairobi
Kenya

Tel: (+254 20) 423 0000
Cell: (+254 20) 0719 039 000
Dropping Zone No. 92
Email: admin@deloitte.co.ke

www.deloitte.com

**INDEPENDENT AUDITORS' REPORT ON THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE SHAREHOLDERS OF KAKUZI PLC**

Opinion

The accompanying condensed consolidated financial statements of Kakuzi Plc and its subsidiaries (the "Group"), which comprise the condensed consolidated statement of financial position as at 31 December 2021, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the year then ended, are derived from the audited financial statements of the Group for the year ended 31 December 2021.

In our opinion, the accompanying condensed consolidated financial statements are consistent, in all material respects, with the audited financial statements of the Group, in accordance with the requirements of the Capital Markets (Securities) (Public Offers, Listings and Disclosures) Regulation, 2002 ("the Regulations") as applicable to summary financial statements.

Condensed consolidated financial Statements

The condensed consolidated financial statements do not contain all the disclosures required by the International Financial Reporting Standards as applicable to annual financial statements. Reading the condensed consolidated financial statements and the auditors' report thereon, therefore, is not a substitute for reading the audited financial statements of the Group and the auditors' report thereon.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 22 March 2022. That report also includes the communication of a key audit matter related to measurement of biological assets. Key audit matters are those matters that in our professional judgement were of most significance in our audit of the financial statements of the current period.

Auditors' responsibility

Our responsibility is to express an opinion on whether the condensed consolidated financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

The engagement partner responsible for the audit resulting in this independent auditor's report is
FCPA Anne Muraya, Practicing Certificate No. 1697

For and on behalf of Deloitte & Touche LLP
Certified Public Accountants
Deloitte Place,
Waiyaki Way, Muthangari
P.O Box 40092 – 00100, Nairobi, Kenya

22 March 2022



Partners: D.M. Mbogho; A.N. Muraya; F. O. Aloo; J. Nyang'aya; B.W. Irungu; I. Karim; F. Okwiri; F.O Omondi; F. Mitambo; P. Seroney; D. Waweru; C Luo.

Deloitte & Touche, a partnership with registration No. 177912, converted to Deloitte & Touche LLP Registration No. LLP-A21DDP effective 14 June 2021

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited