

LIMURU TEA PLC

[Duly incorporated under the Laws of Kenya]
Company Number C.1/59

ANNOUNCEMENT OF UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30TH JUNE 2024.

The Board of Directors is pleased to announce the company's unaudited results for the Six months ended 30th June 2024.

STATEMENT OF FINANCIAL POSITION		
	As at 30 June 2024	As at 31 Dec 2023
	KShs'000	KShs'000
EQUITY		
Share capital	24,000	24,000
Retained earnings	159,067	168,218
Total equity	183,067	192,218
Non-current liabilities		
Post-employment benefit obligations	18,750	16,472
Deferred income tax liability	-	25
Total non-current liabilities	18,750	16,497
	201,817	208,715
REPRESENTED BY:		
Non-current assets		
Property, Plant and Equipment	83,298	84,346
Biological assets – fuel trees	9,971	9,971
Deferred Tax Asset	12,827	-
Total non-current assets	106,096	94,317
Current assets		
Biological asset – green leaf	4,958	4,958
Current income tax recoverable	2,489	-
Receivables and prepayments	96,207	125,926
Cash and cash equivalents	6,968	1,451
Total current assets	110,622	132,335
Current liabilities		
Payables and accrued expenses	13,032	14,922
Post-employment benefit obligations	1,869	1,869
Current income tax payable	-	1,146
Total current liabilities	14,901	17,937
Net current assets	95,721	114,398
	201,817	208,715

CONDENSED STATEMENT OF CASH FLOWS		
	As at June 2024 KShs'000	As at Dec 2023 KShs'000
Net cash from operating activities	7,917	7,180
Net cash used in financing activities	(2,400)	(6,000)
Increase in cash and cash equivalents	5,517	1,180
Movement in cash and cash equivalents		
At start of interim period	1,451	271
Increase during the period	5,517	1,180
At end of June	6,968	1,451

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
	June 2024 KShs'000	June 2023 KShs'000
Turnover	52,849	61,558
Loss before income tax	(19,604)	(2,459)
Income tax charge	12,853	3,551
Loss/(profit) attributable to the shareholders	(6,751)	1,092
Authorized, issued and fully paid shares of KShs 10 each	2,400,000	2,400,000
Earnings per share (KShs)	(2.81)	0.46

CONDENSED STATEMENT OF CHANGES IN EQUITY				
	Share Capital KShs'000	Retained Earnings KShs'000	Proposed Dividend KShs'000	Total KShs'000
Balance at 1 January 2023	24,000	157,394	6,000	187,374
Total recognized profit to June 2023		1,092		1,092
Final Dividend paid			(6,000)	(6,000)
Balance as at 30th June 2023	24,000	158,486	-	182,486
Balance at 1 January 2024	24,000	165,818	2,400	192,218
Total recognized loss to June 2024		(6,751)		(6,751)
Final Dividend paid			(2,400)	(2,400)
Balance as at 30th June 2024	24,000	159,067		183,067

Performance

The Company produced 1,929 tons of Green Leaf, which in turn was manufactured into 414 tons of Black Tea. This was a 26% increase in Made Tea volumes compared to the first half of 2023. The increase was due to the high rainfall recorded between January and March 2024 and El Niño thereafter in April and May 2024.

In the first half of 2024, we have experienced a decline in prices due to local and international market dynamics. For the Company, the total revenues decreased by 14% to KES 52.8 million in the period compared to KES 61.6 million realised in the same period of 2023.

The Company posted a pre-tax loss of KES 19.6 million in the first half of 2024 compared to a pre-tax loss of KES 2.4 million in 2023. This decline in performance is driven by adverse market prices which lowered turnover. This was however mitigated by higher volume realized in the first half of 2024 compared to the same period in 2023. Inflation on key material costs pushed up the cost quite significantly, but Management put in place cost efficiency programs to mitigate the impact.

Dividend

The Directors do not recommend an interim dividend.

Prospects

The Board and Management are undertaking strategic initiatives on operational efficiencies which is expected to turnaround the performance in the second half with anticipated favourable weather conditions and market improvement.

Ms. Dorcas Muli

CHAIRPERSON

23rd August 2024