



STATEMENT OF COMPREHENSIVE INCOME

Revenue	2,998,443	2,270,298	351,062	667,472
Cost of sales	(2,371,665)	(1,539,091)	(329,448)	(532,742)
Gross profit	626,778	731,207	21,614	134,730
Fair value changes gain/(loss) on biological assets	11,144	(56,711)	33,327	(64,521)
Other income	30,681	49,526	96,003	102,083
Total Operating income	668,603	724,022	150,944	172,292
Administration and establishment expenses	(678,626)	(576,603)	(300,713)	(271,864)
Selling and distribution expenses	(102,125)	(51,748)	-	-
Results from operating activities	(112,148)	95,671	(149,769)	(99,572)
Finance income	203,577	139,206	9,799	17,255
Finance cost	(97,251)	(34,535)	-	(33,889)
Net Finance income / (costs)	106,326	104,671	9,799	(16,634)
Profit / (loss) before tax	(5,822)	200,342	(139,970)	(116,206)
Tax (expense)/ credit	(31,849)	(78,228)	41,873	34,758
Profit / (loss) for the period	(37,671)	122,114	(98,097)	(81,448)
Other comprehensive income:				
Items that are or may be reclassified subsequently to profit or loss				
Net change in FV of Debt investments at FVOCI	15,713	(2,499)	-	-
	15,713	(2,499)	-	-
	(21,958)	119,615	(98,097)	(81,448)
Total Comprehensive income:				
Profit / (loss) attributable to:				
Owners of parent	(36,088)	124,692	(98,097)	(81,448)
Non-controlling interest.	(1,583)	(2,578)	-	-
	(37,671)	122,114	(98,097)	(81,448)
(Losses) /profit arising from operating activities.	(43,889)	163,796	(121,426)	(36,283)
Fair value changes on biological assets - net of tax.	7,801	(39,104)	23,329	(45,165)
	(36,088)	124,692	(98,097)	(81,448)
	(0.19)	0.72	(0.53)	(0.16)
Earning / (loss)per share (Kshs) on operating activities	0.03	(0.17)	0.10	(0.20)
(Loss) /earnings per share (Kshs)	(0.16)	0.55	(0.43)	(0.36)
Issued and fully paid shares of Kshs 1 each	228,055	228,055	228,055	228,055

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital Ksh '000	Capital Reserves Ksh '000	Revaluation Reserves Ksh '000	Biological Assets Fair Value Ksh '000	Defined Benefit Reserves Ksh '000	Bond Fair Value Deficit Ksh '000	Retained Earnings Ksh '000	Proposed Dividends Ksh '000	Non Controlling Interest Ksh '000	Total Ksh '000
At 1 October 2022	228,055	98,530	9,712,585	361,205	130,530	(10,832)	3,421,197	-	300,018	14,241,288
Total comprehensive income for the period	-	-	-	-	-	-	124,692	-	(2,578)	122,114
Profit for the period	-	-	-	-	-	-	124,692	-	(2,578)	122,114
Fair value loss on investment in bonds	-	-	-	-	-	(2,499)	-	-	-	(2,499)
Fair value loss on biological assets	-	-	-	(39,104)	-	-	39,104	-	-	-
Total comprehensive income for the period	-	-	-	(39,104)	-	(2,499)	163,796	-	(2,578)	119,615
Transactions with owners of the company recorded directly in equity	-	-	-	-	-	-	-	-	-	-
Total distribution to owners of the company At 31 March 2023	228,055	98,530	9,712,585	322,101	130,530	(13,331)	3,584,993	-	297,440	14,360,903
At 1 October 2023	228,055	98,530	9,685,554	288,218	131,755	(28,749)	3,728,759	114,028	293,118	14,539,268
Total comprehensive income for the period	-	-	-	-	-	-	(36,088)	-	(1,583)	(37,671)
Profit for the period	-	-	-	-	-	-	(36,088)	-	(1,583)	(37,671)
Fair value gain on biological assets	-	-	-	7,801	-	-	(7,801)	-	-	-
Fair value loss on investment in bonds	-	-	-	-	-	15,713	-	-	-	15,713
Total comprehensive income for the period	-	-	-	7,801	-	15,713	(43,889)	-	(1,583)	(21,958)
Transactions with owners of the company recorded directly in equity	-	-	-	-	-	-	-	-	-	-
Final dividend 2023 paid	-	-	-	-	-	-	-	(114,028)	-	(114,028)
Total distribution to owners of the company At 31 March 2024	228,055	98,530	9,685,554	296,019	131,755	(13,036)	3,684,870	-	291,535	14,403,282

COMPANY STATEMENT OF CHANGES IN EQUITY

	Share Capital Ksh '000	Capital Reserves Ksh '000	Revaluation Reserves Ksh '000	Biological Assets Fair Value Ksh '000	Defined Benefit Reserves Ksh '000	Bond Fair Value Deficit Ksh '000	Retained Earnings Ksh '000	Proposed Dividends Ksh '000	Non Controlling Interest Ksh '000	Total Ksh '000
At 1 October 2022	228,055	40,594	7,046,471	200,359	10,852	-	1,383,884	-	-	8,910,215
Total comprehensive income for the period	-	-	-	-	-	-	(81,448)	-	-	(81,448)
Loss for the period	-	-	-	-	-	-	(81,448)	-	-	(81,448)
Fair value loss on biological assets	-	-	-	(45,165)	-	-	45,165	-	-	-
Total comprehensive income for the period	-	-	-	(45,165)	-	-	(36,283)	-	-	(81,448)
Transactions with owners of the company recorded directly in equity	-	-	-	-	-	-	-	-	-	-
Total distribution to owners of the company At 31 March 2023	228,055	40,594	7,046,471	155,194	10,852	-	1,347,601	-	-	8,828,767
At 1 October 2023	228,055	40,594	7,046,471	238,017	13,229	-	1,058,270	114,028	-	8,738,664
Total comprehensive income for the period	-	-	-	-	-	-	(98,097)	-	-	(98,097)
Loss for the period	-	-	-	-	-	-	(98,097)	-	-	(98,097)
Fair value gain on biological assets	-	-	-	23,329	-	-	(23,329)	-	-	-
Total comprehensive income for the period	-	-	-	23,329	-	-	(121,426)	-	-	(98,097)
Transactions with owners of the company recorded directly in equity	-	-	-	-	-	-	-	-	-	-
Final dividend 2023 paid	-	-	-	-	-	-	-	(114,028)	-	(114,028)
Total distribution to owners of the company At 31 March 2024	228,055	40,594	7,046,471	261,346	13,229	-	936,844	-	-	8,526,539

STATEMENT OF FINANCIAL POSITION

	31-Mar-24 Ksh '000	30-Sep-23 Ksh '000	31-Mar-24 Ksh '000	30-Sep-23 Ksh '000
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	11,186,413	11,151,429	7,290,901	7,304,773
Capital work-in-progress	166,380	200,955	62,406	62,398
Intangible assets	6,842	8,895	5,345	6,100
Biological assets	1,193,651	1,217,362	262,214	255,503
Right of use asset	54,263	59,193	44,272	49,191
Investment in subsidiaries	-	-	637,727	637,727
Other investments	253,996	247,806	-	-
	12,861,545	12,885,640	8,302,865	8,315,692
CURRENT ASSETS				
Inventories	2,073,993	1,216,682	170,902	469,583
Biological assets	258,029	223,174	217,922	191,306
Trade and other receivables	1,820,291	1,065,898	158,520	245,233
Current income tax recoverable	22,298	33,978	69,054	24,072
Amount due from related companies	-	-	593,908	91,113
Short term deposits	-	2,317	-	-
Cash and Bank balances	455,971	871,119	73,734	99,662
	4,630,582	3,413,168	1,284,040	1,120,969
TOTAL ASSETS	17,492,127	16,298,808	9,586,905	9,436,661
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital	228,055	228,055	228,055	228,055
Non - distributable reserves	10,198,822	10,175,308	7,361,640	7,338,311
Distributable reserves	3,684,870	3,842,787	936,844	1,172,298
	14,111,747	14,246,150	8,526,539	8,738,664
Non-controlling interest	291,535	293,118	-	-
Total equity	14,403,282	14,539,268	8,526,539	8,738,664
Non- current liabilities				
Deferred tax liability	1,175,765	1,175,772	471,085	471,085
Lease liability	43,273	47,363	43,273	47,363
Post-employment benefits	136,506	117,025	17,198	21,364
	1,355,544	1,340,160	531,556	539,812
Current liabilities				
Amounts due to related companies	-	-	279,418	21,877
Trade and other Payables	618,523	368,990	241,842	99,925
Lease liability	7,550	6,637	7,550	6,637
Post-employment benefits	14,007	14,871	-	864
Bank loan	1,093,221	28,882	-	28,882
	1,733,301	419,380	528,810	158,185
TOTAL EQUITY AND LIABILITIES	17,492,127	16,298,808	9,586,905	9,436,661

CASHFLOW STATEMENT

	31-Mar-24 Ksh '000	30-Sep-23 Ksh '000	31-Mar-24 Ksh '000	30-Sep-23 Ksh '000
Cash flows from operating activities				
Cash flow (used)/generated from operating activities	(1,259,922)	339,041	136,517	(62,917)
Gratuity paid	(22,440)	(29,579)	(874)	(1,745)
Interest paid on lease liability	-	(6,746)	-	(6,746)
Income taxes paid	(25,709)	(586,193)	(3,108)	(97,722)
Net cash (used in) /generated from operating activities	(1,308,071)	(283,477)	132,535	(169,130)
Cash flows from investing activities				
Interest received	37,118	105,869	2,345	17,389
Redemption of Other Investments [Government Infrastructure Bonds]	-	29,408	-	-
Placement of short- term deposits	2,317	464,829	-	165,269
Purchase of Property, and equipment	(135,525)	(191,577)	(23,729)	(47,619)
Purchase of capital work - in -progress assets	(1,552)	(141,950)	(1,552)	(14,287)
Purchase of intangible assets	-	(242)	-	-
Proceeds from sale of property, and equipment	-	38,526	-	798
Net cash (used in)/generated from investing activities	(97,642)	304,863	(22,936)	121,550
Cash flows from financing activities				
Interest paid on other borrowings	(17,879)	(17,030)	-	(17,030)
Payment of lease liability - principal	-	(5,029)	-	(5,029)
Borrowing received	1,145,071	816,566	-	816,566
Borrowing repaid	(109,615)	(787,684)	(28,882)	(787,684)
Dividend paid on ordinary shares	(114,028)	(228,056)	(114,028)	(228,056)
Net cash generated from /(used in) financing activities	903,549	(221,233)	(142,910)	(221,233)
Net (decrease) in cash and cash equivalents	(502,164)	(199,847)	(33,311)	(268,813)
Cash and cash equivalents at the beginning of the period	871,119	1,088,406	99,662	368,475
Effects of movement in exchange rates on cash	87,016	(17,440)	7,383	-
Cash and cash equivalents at the end of the period	455,971	871,119	73,734	99,662

COMMENTS ON THE RESULTS (UNAUDITED) FOR THE SIX MONTHS ENDED 31ST MARCH 2024

The Group's business performance for the period was below expectation with the global economic situation and geopolitical disruptions adversely affecting business. This was aggravated by the high cost of production, depressed commodity prices, lower-than-expected production volumes, and less market demand for some of our products. The recent strengthening of the local currency against the major currencies also impacted the results. The unpredictable business operating environment continues to affect the performance of the group. Despite the challenges, the group posted an increase in turnover by 32.1% compared to the same period in the prior year. However, the cost of sales increased by 54.1% in comparison on account of volume and cost increases. Consequently, the Group made a loss after tax and non-controlling interest (including the changes in the fair value of biological assets) of Kes. 37.67 million (prior year, same period profit of Kes. 122.11 million). This comprises a loss from the operating activities of Kes. 43.89 million (prior year profit Kes. 163.79 million) and Kes. 7.80 million profit (prior year loss Kes 39.10 million) from changes in the fair value of biological assets.

OUTLOOK

Despite these challenges, the outlook for the business is positive toward improving the profitability for the year. The remaining six-month period looks promising. A recovery in tea prices, a resumption in avocado shipments, an increase in coffee trading volumes, and a continuously recovering nuts business are imminent and will drive the turnaround. The tea volumes and the quality of the avocado fruits are also expected to improve due to the current heavy rains. We remain strongly focused on cost containment measures. Going forward, we seek to entrench our Environmental, Social, and Governance (ESG) competence through Sustainable Development Goals (SDGs) mainstreaming to create a meaningful impact as we seek organic growth through geographic expansion, use of innovation and technology to drive efficiencies and contain costs, focus on quality and establishment of strategic partnerships to expand our reach to engender a triple bottom line focusing on people, planet and profits as we enhance shareholders' value.

DIVIDEND

In view of the results for the six months ended 31st March 2024, the Directors do not recommend the payment of an interim dividend. (2022 declared 100%; Kes 1.00 per share, Kes 228.05 million).