CAMELLIA PLC

2024

CAMELLIA PLC

REPORT AND ACCOUNTS 2024

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CAMELLIA PLC

CAMELLIA AT A GLANCE

Founded in 1889, Camellia Plc ("**Camellia**") is the ultimate holding company of a group of companies incorporated in various jurisdictions (the "**Group**"). Within the Group, Camellia has indirect interests in several entities which have responsibility for managing primarily agricultural operations (the "**operating companies**"). The operating companies are based in Bangladesh, Brazil, India, Kenya, Malawi, South Africa, Tanzania and the UK. The Group's turnover is derived from the operating companies' work in the agricultural sector through the growing of tea, avocado, macadamia, rubber, blueberries, arable and other crops, forestry and livestock, as well as through its UK based engineering business and specialty tea company.

In 2024 Camellia's consolidated revenue from continuing operations was £262 million (2023: £254 million), its trading loss was £5.5 million (2023: £10.3 million) and its loss attributable to shareholders was £4.9 million (2023: £3.7 million).

Purpose

Our purpose is to invest in, grow and nurture agricultural businesses and assets of the highest quality – creating value for today's shareholders, while investing for the long term. Camellia's operating companies aim to work fairly, sustainably and with integrity for the wellbeing of their employees, communities and the natural environment.

Business

Core Agriculture

The Group's core agricultural activities are managed across eight businesses in three continents. The businesses below do not correspond directly to the corporate structures, but each business is managed independently by in-country management teams.

These eight businesses produce the following crops:

Mature land (ha)

	Tea	*Macs*	*Avocado*	*Forestry*	*Arable*	*Rubber*	*Blueberries*	*Total*
India	16,632	–	–	–	–	–	–	16,632
Bangladesh	8,914	–	–	–	–	1,710	–	10,624
Kakuzi	510	1,032	884	1,255	–	–	10	3,691
EP Kenya	3,296	–	–	690	–	–	–	3,986
Malawi	5,505	1,496	–	1,113	–	–	–	8,114
Brazil	–	–	–	440	3,953	–	–	4,393
South Africa	–	1,005	–	–	–	–	–	1,005
Tanzania	–	–	50	–	–	–	–	50
Total	34,857	3,533	934	3,498	3,953	1,710	10	48,495

Other businesses

In addition to the core agricultural businesses, Camellia owns the following operating companies:

AJT Engineering Limited	Engineering services (UK)
Jing Tea Limited	Branded tea products (UK)
Eastern Produce Cape (Pty) Ltd	Wine grapes (South Africa)

CAMELLIA AT A GLANCE

Investment portfolio and collections

The Group also has the following non-operating investments:

	Locations	*Market value at 31/12/2024 £'m*
Listed equity portfolio	Global	30.4
Investment property*	UK, Malawi	31.3
Heritage assets (stated at cost)	UK, India	7.3

* Includes investment property categorised as held for sale.

CAMELLIA PLC

DIRECTORS AND ADVISORS

Directors	Simon Turner	*Non-executive Chairman*
	Byron Coombs	*Chief Executive Officer*
	Oliver Capon	*Chief Financial Officer* (appointed 6 June 2024)
	Graham Mclean	*Director of Agriculture*
	Susan Walker	*Chief Financial Officer* (resigned 6 June 2024)
	Alison McFadyen	*Senior Independent Non-Executive Director* (appointed 1 July 2024)
	Stephen Buckland	*Non-Executive Director*
	Rachel English	*Independent Non-Executive Director*
	Alec Hayley	*Independent Non-Executive Director* (appointed 1 July 2024)
	Frédéric Vuilleumier	*Independent Non-Executive Director*

Board Committee membership is detailed on pages 41 to 43

General Counsel & Company Secretary
Nischal Hindia (appointed 1 August 2024)
Denise Bodri (resigned as Interim Company Secretary 1 August 2024)

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CAMELLIA PLC

STRATEGIC REPORT

CHAIRMAN'S STATEMENT

Throughout 2024, Camellia's operating companies continued to provide their exceptional products and services worldwide, and the Board wishes to recognise the dedication of everyone throughout the Group who has helped maintain its reputation for both quality and integrity.

This year the Board was pleased to welcome three new members, Oliver Capon, Alec Hayley, and Alison McFadyen. Oliver joined the Company as Chief Finance Officer (CFO) Designate on 28 May 2024 and became CFO on 6 June 2024. He is an experienced CFO with thirty years of experience, initially at Arthur Andersen and subsequently at Shell Plc, where he worked in the UK and internationally. Since his appointment, Oliver has brought to the executive team deep technical and strategic capability, his significant international business experience, strong commercial acumen, and extensive leadership skills. Alec and Alison joined as Independent Non-Executive Directors and were appointed after the 2024 AGM. Alec is a Chartered Accountant and CFO with 30 years of experience in the agriculture commodity sector in developed and emerging markets, with significant management experience in the Company's key markets in Africa and Asia. He holds an executive role at ECOM Agroindustrial Corporation Limited. Alison has 40 years of international financial services experience, serving 22 years at Standard Chartered Plc, a FTSE 100 bank. Following her retirement in 2022, Alison has since served as a non-executive director of Standard Chartered Bank. She has significant executive experience in a variety of roles, latterly Group Head of Internal Audit at Standard Chartered Plc. Alison holds a Masters of Business Administration and is a trustee of two performing arts charities. Since their appointment in July 2024, Alec and Alison have made significant contributions to the Board's effectiveness.

The Board is supported by our recently appointed Group General Counsel and Company Secretary, Nischal Hindia. Nischal has 22 years of experience, has practised law in India and the UK with a particular focus on mergers and acquisitions, and held senior in-house legal and secretarial roles covering the UK, India and Bangladesh including at Diageo, GlaxoSmithKline and Redx Pharma.

The Board has been focusing on three key areas in 2024. The first was a rigorous examination of the Group and the strategy through which Camellia will look to prioritise actions and opportunities for value creation, growth, and risk reduction. The second was a restatement of Camellia's purpose, values and objectives, so that there could be no doubt as to what Camellia stands for, and how it should operate. The third was a strengthening of governance, embedding with greater clarity the model by which Camellia engages with the operating companies, providing for operational autonomy while also providing effective and appropriate mechanisms for support and constructive challenge.

With a very strong balance sheet and a renewed sense of purpose and direction the Board has turned its focus from restoration to revitalisation. In this regard I am pleased to report that the Board's medium-term review is approaching its conclusion. The Company will look to communicate to investors the outcome of this review during May 2025. Our goal is to provide investors with a clearer understanding of Camellia's business strategy and prospects.

In the meantime, we would like to announce that, as a result of the Company's improved liquidity and improvement in the Group's prospects, the Board has proposed restarting an annual dividend with the confidence that this is sustainable. The Board has, subject to shareholder approval, approved a final dividend for the financial year ending December 2024 of 260p/share. We will comment further on our distribution strategy in May 2025.

The eminent business philosopher Charles Handy, who very sadly passed away at the end of 2024, was a friend to Camellia over many years; he was an exceptional man, whose integrity, humility and gentleness matched his intellectual clarity and wisdom. Amongst the many matters he considered were how businesses could best adapt where there was unpredictable social and economic change, and the centrality of people to the purpose of business. These ideas resonate clearly at this time, as momentous shifts such as climate change, regional conflict, global trade disruption and broader geo-political uncertainty significantly impact so many people worldwide. Camellia will continue to address the opportunities and risks which a changing world presents and to support its operating companies as they evolve and adapt to new realities. In doing so, Camellia's objective remains to invest sustainably for the long-term in harmony with the natural environment, serving both its investors and the many communities of people its operating companies sustain.

The Board would like to sincerely thank all who work within the Group for their considerable efforts this year. Their contributions in field, factory and office make Camellia what it is.

Simon Turner
Chairman

29 April 2025

CHIEF EXECUTIVE'S STATEMENT

2024 saw a change in Board level leadership at Camellia. The appointment of a new Chair and CEO in late 2023 was followed by the appointment of Oliver Capon as Chief Financial Officer and Nischal Hindia as Group General Counsel and Company Secretary, and two Independent non-executive Directors; Alec Hayley and Alison McFadyen. The new Directors and management team bring a fresh perspective to the business and a focus on business revitalisation.

The principal objectives for 2024 were to strengthen the balance sheet, reduce portfolio risk, update the Company's governance and management processes, and initiate a review of the business strategy. We are very pleased to report good progress on all four of these goals. We successfully exited our holdings in BF&M, United Finance and United Insurance, our three affiliates, and disposed of several non-core assets. In doing so we reduced the Group's risk profile and significantly improved financial liquidity, enabling the Board to feel comfortable to recommend restarting the annual dividend with confidence that this is sustainable. We also updated our governance processes, introduced a new approach to business management and made good progress in assessing the actions needed to return Camellia to operational profitability. In addition to our four key objectives, we disposed of the remaining assets and liabilities associated with the Bardsley business and initiated an on-market share buy-back programme.

Our accomplishments in 2024 provide the Company with a cleaner and more robust platform from which it can address challenges and deliver better results for its shareholders and other stakeholders.

We are in the final stages of developing a medium-term plan for the Group and expect to communicate the outcome of this review in May 2025. The Company's primary goal is ensuring a sustainably profitable business for the long-term; requiring both improved financial returns and lower structural risk.

Camellia is a portfolio of distinct businesses, and an important action in 2024 was to reinforce the sense of operational autonomy of our operating company management teams while providing the required support and challenge. Where required we supported the operating companies as they strengthened their boards. We have taken the opportunity to mirror the new business management structure in this report and accounts. We hope you find this new approach clear and informative.

Group revenues from continuing activities in 2024 were £262 million, up from £254 million in 2023. The trading result improved to a loss of £5.5 million compared with a 2023 loss of £10.3 million. The Group's 2024 result before tax from continuing operations was break even, benefitting from the net profits arising from the sale of affiliates and other non-core assets, compared to a profit of £18.2 million in 2023, which included a £19 million impairment reversal. The Group generated net cash of £49.9 million in the year compared to a cash outflow of £11.7 million in 2023. The balance sheet at the end of 2024 was robust with net cash and borrowings, term deposits and money market investments of £124.7 million.

The primary agriculture industry has faced several challenges in the past few years, but we are pleased to report that 2024 saw some improvement, and potentially the beginning of a recovery from the post-Covid period of inflation and weak prices. The Group's tea markets saw some price improvement from the trough experienced in 2023, with the India tea market seeing a strong uplift through most of the year. The macadamia market also showed signs of price recovery, and the market for avocados and grains generally improved.

Beyond the agricultural businesses, AJT, the Aberdeen based engineering company, implemented a number of operational changes and achieved profitability for the first time in 10 years, and the luxury tea marketing business, Jing, continued to show good growth while also undertaking important platform changes and developing new packaging and branding which will launch in 2025.

The 2024 financial results and the results of recent years are reflected in our share price, which remains of concern to management and shareholders. We would like to reiterate our reassurance from last year that the Camellia Board recognises that returns from operations must improve. Over the past twelve months the executive team has taken a number of actions designed to improve Camellia's stability and profitability and will implement more changes during 2025 and beyond as part of our medium-term plan.

With our substantial cash resources, liquid investment portfolio and limited gearing, we are also well placed to invest in business growth and operational improvements. Our priority is to take the necessary actions to make Camellia a financially successful and sustainable company over the long term. Achieving this goal may result in the disposal of business units which we believe we are not the best owner of, or which don't fit with our targeted lower risk profile.

CHIEF EXECUTIVE'S STATEMENT

In conclusion, I would like to highlight the importance of Camellia's purpose to both shareholders and other stakeholders. Our focus on financial revitalisation must take place in the context of our purpose. Camellia will work hard to build successful operating companies that support their employees and their communities and take care of the environment where they operate. We believe that achieving a good outcome for all stakeholders is central to maintaining our license to operate, and crucially, to generating long-term commercial value for our shareholders.

Byron Coombs
Chief Executive

29 April 2025

PURPOSE, CULTURE AND VALUES, BUSINESS MODEL AND STRATEGY

The Board reviewed Camellia's purpose, culture and values, strategy, and business model during 2024 with a view to promoting long-term value for all stakeholders.

Creating social and environmental value has been integral to Camellia since its founding and is central to its purpose. The Board views Camellia's value creation as comprising the sum of value created in all three dimensions of its objective: financial; social and environmental.

Purpose

'Profit and Purpose in harmony'

Our purpose is to invest in, grow and nurture agricultural businesses and assets of the highest quality – creating value for today's shareholders, while investing for the long term. Camellia's operating companies aim to work fairly, sustainably and with integrity for the wellbeing of their employees, communities and the natural environment.

Culture and values

Camellia's values are:

- Sustainability
  - Building a commercially and financially successful business.
  - Investing in management, employees and local communities as a means of building trust and delivering long-term success.
  - Employing sustainable environmental management practices to preserve the long-term health of the land, the local environment and the water supply.
- Long-termism
  - Prudently managing our financial affairs: a 'fortress balance sheet' capable of withstanding periods of commercial disruption or structural change.
  - Patiently and strategically stewarding operating companies and investing in new ventures. Acting at the right time, not within a given time.
  - Allocating capital on the basis of long-term returns, underpinned by rigorous analysis. The creation of value through strategic fit, business scale, and management of portfolio risk.
- Quality
  - Acquiring and developing exceptional assets and managing them to the highest standards.
  - Producing high quality commodity goods and services.
  - Attracting and developing excellent managers and employees and offering fair and attractive employee working conditions and opportunities.
- Fairness
  - Fairly allocating financial benefits between shareholders and other stakeholders. Balancing the needs of today's stakeholders with the needs of future generations.
  - Nurturing an inclusive culture that respects and supports employees' rights and promotes community welfare and well-being.
  - Operating fairly, courteously, and responsibly. Treating partners, employees, contractors, and other stakeholders with respect.
- Integrity
  - Acting ethically, honestly, and transparently within applicable laws and in accordance with local customs.
  - Proactively stewarding the Group through consistent promotion of our purpose and values.
  - Fostering the growth of our values by doing business with like-minded partners.

These values shape our culture, which strives for success today, while building a better future for generations to come, and play an integral part in supporting our purpose, strategy and business model. The Board and executive team believe in the importance of, and are committed to supporting and embedding, our culture and values throughout the Group. The Board will assess and monitor the organisation's culture through updates from operating companies' executive teams and interactions with their management teams.

Business model

Camellia's business model is: to manage a portfolio of companies which are focused on the production, processing, and distribution of diversified agricultural products and services; and to steward those companies in the management of their businesses.

Portfolio management

- Investment in a portfolio of diverse agricultural assets generating attractive financial returns.
- Management of strategic risk through the careful and active allocation of capital.
- Full or significant ownership of operating companies to align with Camellia's purpose, values and strategy.
- Substantial autonomy for operating company directors and management as they are best placed to understand their business and its context.
- Financing of operating companies through shareholder equity and retained earnings, with limited external borrowing.

Business management

- The economic ownership of land to generate income from the production of quality crops.
- The improvement of land and the addition of farm infrastructure to increase crop yields and add economic value to the asset.
- The creation of incremental commercial value through the construction of processing facilities to conduct the primary processing of our own and third-party crops.
- The sale of processed crops directly to large scale key customers and marketers, or via auctions and brokers.
- The creation of an attractive and trusted value proposition for customers in respect of product quality, traceability, and safety.
- The provision of good employment conditions and a safe place to work, with due regard to diversity and inclusion.
- The adoption of sustainable environmental management practices to preserve the long-term health of the land, the local environment and the water supply.

Strategy

Camellia's strategy is to leverage its core skills and expertise to create shareholder and stakeholder value and deliver its purpose within an acceptable level of risk. Camellia views its business strategy as comprising two separate components:

1. **Portfolio and investment strategy;** responsibility of Camellia's Board and executive team.
2. **Business and operational strategy;** responsibility of the managing directors and boards of operating companies.

Together the two components support the delivery of attractive long-term returns and management of the Group's overall risk profile.

Portfolio and investment strategy

Camellia's asset allocation and investment strategy is to:

- Invest in agricultural businesses, primarily in emerging markets where our expertise enables us to generate a return commensurate with the risks taken and where local communities benefit from business activities.

- Manage risk by:
  - diversifying revenues across at least four principal crops.
  - diversifying across several countries.
  - investing in farms which offer lower exposure to the effects of climate change, or where sufficient infrastructure can be built at a reasonable cost to mitigate the risk.
- Make investments and allocate capital to initiatives which have a clear strategic fit with core operations and generate an attractive return.
- Optimise return on capital by ensuring all assets generate an attractive yield and are core to business operations.
- Active management of the portfolio to achieve attractive long-term returns, including divesting assets where Camellia is not the optimal owner.
- To select, invest in, and motivate operating companies' management teams and boards that are aligned with the Camellia purpose, values and business strategy.
- Delegate operational autonomy to operating companies' executive teams and boards, creating a strong sense of local ownership and entrepreneurial spirit.
- Keep Group portfolio management and stewardship costs low.
- Keep operating companies' structural debt to modest levels, ensuring financial sustainability and stakeholder confidence.
- Maintain a liquid strategic reserve to provide commercial flexibility, support acquisitions and operating companies' growth opportunities, and provide a financial cushion during periods of adverse market conditions.

Business and operational strategy

Camellia's business and operational strategy is to provide operating companies with the support to:

- Focus on the production of quality commodity products.
- Operate at optimum operational efficiency and invest heavily in farm productivity and innovative technologies.
- Optimise the use of fixed capital assets by generating income from spare capacity, including third party aggregation models to maximise factory utilisation, and employing non-cropping land for alternative revenue generation.
- Improve financial returns by leveraging our business reputation, market presence, and operational expertise to earn revenues from sources which require limited capital commitment including farm management fees and down-stream services.
- Invest in the technical skills and leadership capability of management teams.
- Offer good working conditions to employees.
- Ensure safeguarding and safety at work and offer inclusive employment opportunities.
- Build and maintain a reputation for ethical behaviour and fair business practices, including partnering with smallholders to support improvement of farming practices.
- Achieve and maintain high standards of industry ESG compliance for jurisdictions in which we operate.
- Pay appropriate taxes.
- Keep operating company overhead costs low to be financially efficient.
- Dispose of non-core and underperforming assets.
- Fairly share the benefits of being a successful business between shareholders and other stakeholders.

Delivery of the purpose, business model and strategy

During 2024, the Board embarked on a five-step process aimed at systematically evaluating the Company's business and its plans to deliver its strategy. The five steps comprised a high-level evaluation of commercial performance, an assessment of the principal business risks, a review of the Company's commercial options, the consideration of growth and development opportunities and a review of investor and other stakeholder expectations. The outcome of the process is a Board approved medium-term value enhancement plan which is now substantially complete and which we expect to communicate to investors during May 2025.

Successful delivery of our purpose, business model and strategy depends on the following key factors being achieved:

Firstly, the improvement of operational and financial performance of some operating companies. Each operating company has a specific and tailored financial and operational plan in place and is taking steps to achieve such a plan. The nature of bearer crop agricultural business is that transformation cannot be achieved overnight. There are some actions which can improve profitability in the short term, but some matters such as yield improvements will take longer to realise.

Secondly, the ongoing evaluation of the Group's portfolio of assets and business units, and potential disposals at competitive prices must complete so that the business can continue investing in its core activities. We have been successful with the sale of certain assets in 2024. Other components of the portfolio may be more challenging and/or take longer to sell, and therefore it is not possible to define timeframes.

Finally, delivering our strategy depends on successfully investing in attractive opportunities that complement our existing portfolio and provide growth.

FINANCIAL PERFORMANCE SUMMARY

Revenue from continuing operations for the Group increased 3% to £262 million from £254 million in 2023.

The trading results for 2024 showed considerable improvement from a loss of £10.3 million in 2023 to a loss of £5.5 million in 2024. This was a result of improved trading results in India, Bangladesh, South Africa, Malawi and Brazil offset by worse results in EP Kenya and Kakuzi. More details are included in the sections below.

In 2024, the Company benefited from £10.7 million profits from the disposals of BF&M along with £1.8 million profit on sales of other assets. This was offset by losses of £4.7 million from the sale of the Bangladesh finance associates and net finance and investment and other costs of £2.2 million (2023: £5.3 million income). In 2023, the Company's results also benefited from the reversal of the impairment of BF&M of £19 million.

The result for continuing operations was breakeven (2023: £18.2 million profit) and loss after tax of £5.3 million (2023: £1.4 million).

The Company successfully completed the disposal of the Bardsley assets in the year with a loss for the year of £0.6 million compared with a loss of £14.4 million in 2023.

The total loss after tax attributable to Camellia shareholders was £4.9 million (2023: £3.7 million).

Operating review core agriculture

As mentioned in the CEO's Statement, the market trading environment for the Group's key commodities generally improved in 2024. In some instances, external factors compromised the ability of operating companies to fully capitalise on the improved market pricing. These factors are outlined within the individual business reports.

India

The India operations comprise several companies. The principal company is Goodricke Group Limited, an organisation listed on the Bombay Stock Exchange and headquartered in Kolkata. The Indian operations are focused around the ownership of 29 tea gardens and 30 tea factories, spread throughout Darjeeling, Dooars, Assam and Cachar.

The India operations also include: a packet tea business comprising a number of high-quality retail brands supported by several retail tea shops, the most renowned being Margaret's Deck situated at Margaret's Hope Garden in Darjeeling; and a highly successful instant tea plant producing high grade products, predominantly for the Japanese market.

The bulk tea business also purchases green leaf from independent tea growers, which supports community farmers and improves factory utilisation reducing overall processing costs. The teas are predominantly sold through auction centres in Kolkata and Guwahati. Some of the Assam and Darjeeling teas are sold directly to international buyers.

£ million	*Year to 31/12/2024*	*Year to 31/12/2023*
Revenue	108.4	*97.5*
Trading profit/(loss)	0.8	*(6.6)*

The India operation's tea production in India was down slightly on last year (1%) due to variable weather, a reduction in the number of permitted chemicals (leading to greater losses through pest and disease attack), government restrictions on harvesting in December and lower bought leaf volumes. In comparison, overall production in North India was down 9% on the previous year.

With lower crop yields, pricing reacted positively in the year with the Dooars region teas up 9% and Assam teas up 20%. The welcome return to a strong orthodox market supported the rise in Assam tea prices whilst good quality CTC teas also performed well in both the export and local markets. India remains slightly protected from oversupplied export markets due to high import tariffs and strong internal consumption which has increased at c.2% per annum. The North India "All Tea Average" pricing was up 24% off the back of lower supply and stronger demand. North Indian exports were up 10% and benefitted from increased prices, up 21%, driven by the firm orthodox market and the limited availability of good quality teas.

Darjeeling estates remain under pressure with declining demand in traditional export markets and competition from Nepal. Garden pricing was up 27% on the previous year but this remains below cost with significant losses being incurred in these operations.

Sales volumes of packet tea increased by 8% in a very competitive market. This was driven by general trade and the bulk channel. E-commerce grew by 6%, and at the same time pricing increased by 7%.

Our instant tea business continues to perform well with volumes up 17% and prices up 1% due to increased sales to Japan.

The North Indian tea industry faces continued headwinds with margin pressure resulting from weather impacted production, increasing costs and pricing levels not necessarily keeping pace with rising expenses. The lack of wage increases in 2024 alleviated, to some degree, cost pressures.

Bangladesh

The Bangladesh operations comprise the ownership of seven tea companies which, amongst them, own 16 tea gardens. Management of the tea gardens is contracted to an in-house company, Duncan Brothers, as managing agent. Duncan Brothers is one of the largest and best-known private tea producers in Bangladesh. While tea is the dominant crop, the operations also produce rubber. The Bangladesh operations also include 14 tea factories and two rubber processing plants. A majority of the tea factories have been modernised to enable them to produce high quality CTC standard teas. The bulk tea operation sells its production through the local tea auctions, principally Chittagong. There is no bought leaf production, so the entire bulk tea operation is own-estate product. The rubber is sold to local buyers.

£ million	*Year to 31/12/2024*	*Year to 31/12/2023*
Revenue	19.8	*18.5*
Trading loss	(2.3)	*(4.7)*

Tea production remained on par with that of last year at c.15m kg, a record, against a backdrop of national production which was down 9% on the previous year. The national production was down mainly as a result of the financial constraints experienced by several tea operations which closed in the main season. It was a challenging year for the country with political change and the resultant uncertainty causing volatility in the country. Bought leaf production was down compared to 2023, which helped move the market closer to supply-demand balance. Over 2024 our sales pricing was down 7% on 2023. Much of the lower pricing early in the year was due to a substantial carried-forward stock in the industry. This impacted the 2023 results as that year-end stock was written down to reflect the low realised prices. Wages increased 5% in line with the Government Wage Board Agreement (effective until 2026).

The tea industry remains under significant pressure with the price of product below cost in 2024. There was a reduction in national volumes in 2024 supporting increased pricing in quarter one 2025 compared to the same period in 2024. Management remains focused on improving quality and yield to offset challenging market conditions.

Eastern Produce Kenya

Eastern Produce Kenya (EPK) is exclusively a tea production operation. The company diversifies its tea income streams through extensive bought leaf purchases which constitute c.30% of its production and it also manages third party tea entities on behalf of owner clients. The company has five of its own factories with seven gardens. The principal market for the teas produced is the Mombasa auction. Export markets include Pakistan and the UK.

The operation comprises c.3,300ha of mature tea and has continuously improved its levels of productivity during the last five years through various field and factory initiatives. In the field, the company has conducted a replanting program of 50ha each year leading to significant yield improvement. In the factories, various energy saving measures have been implemented, resulting in savings on fuel and electricity usage. The enhanced automation of various factory processes has improved the level of productivity and permitted higher volumes of production to be accommodated, thereby further reducing unit costs.

£ million	*Year to 31/12/2024*	*Year to 31/12/2023*
Revenue	36.8	*42.0*
Trading profit	5.5	*10.2*

Total production in 2024 achieved the second highest volume on record, up 3% on 2023. A strong first quarter contributed significantly to this after which, with limited rainfall, volumes declined. Country production saw a record crop producing 598m kg. Pricing deteriorated 12% on last year as the market grappled with high inventories of poor-quality teas. Trading profit in 2024 reflects these factors. 2023 results benefited from the reversal of provisions.

Reserve pricing mechanisms were phased out during the year, leading to a reduction in inventories thus easing the market surplus toward the end of the year. The complete unwinding of this large inventory has some distance to go before the market experiences any sustained price recovery. Pricing for better quality teas (Rwanda and Kenya 'East of Rift') remained firm across the board with limited supply and low inventories. Demand remained firm for good quality teas with relatively stable to rising prices through the year. The company's teas continue to perform strongly against the competition.

The Mombasa 'All Auction Average' price declined 1% on 2023, driven by high inventories. The Mombasa market remains under significant price pressure with several regional producing countries, including Uganda and Tanzania, selling their teas below cost of production.

During the year a collective bargaining agreement was concluded, increasing wages by 7%. The significant volume produced, in conjunction with continued focus on field and productivity improvements, helped mitigate costs and maintain positive margins.

EPK experienced land encroachment on one estate impacting operations. This is currently being pursued through the courts as the company looks to protect its people and assets.

Kakuzi

Kakuzi is a dual listed entity on the Nairobi and London stock exchanges. It is a large and highly diverse agricultural operation producing avocado, macadamia, forestry, beef and blueberries. Camellia is a 50.7% shareholder.

Its avocado operation is the largest in East Africa with all fruit produced being packed and shipped from site to various markets around the world, but principally Europe. The company operates a highly active outgrower avocado operation whose farmers benefit from extension services, agricultural education programmes, fruit purchases and access to global markets.

The macadamia operation is now the largest single planting in Kenya with the entire production being processed on site through its new ultra-modern cracking facility. The bulk of the production is exported to markets in Asia and the USA. There is a growing value addition component to the operation which produces and sells a variety of macadamia snacks and oil into the local market.

The forestry operations produce treated pole products for the local electric utility as well as fencing and other uses. Timber is also produced for the local construction market.

The beef operation comprises c.4,000 heads of grass fed Boran cattle which are sold through a butchery and the highly popular BBQ outlet, the Boran Barn, situated on site. The livestock operation also rears goats and sheep.

The blueberry operation has now successfully identified suitable cultivars for production at Kakuzi which are performing well and within commercial production parameters. The principal market is the Middle East.

£ million	*Year to 31/12/2024*	*Year to 31/12/2023*
Revenue	25.8	*28.7*
Trading (loss)/profit	(0.3)	*4.3*

Kakuzi experienced an exceptionally difficult 2024 in contrast to the previous years' trading results. This was primarily driven by a significant drop in avocado profitability. This arose as a result of lower avocado production, declining 16% on the previous year, due to excessive rainfall in the first half of the year which had an impact on fruit development and quality. In addition, the ongoing crisis in the Middle East meant the Red Sea shipping route via the Suez Canal was closed resulting in significantly extended shipping times (up c.45%) to the main markets in Europe. Fruit quality was severely affected by this, resulting in significantly lower pricing and fruit disposals on arrival. This led to a decline in revenues (down c.35%) and profits (down c.75%).

These environmental and operational challenges occurred against a backdrop of strong European avocado markets.

Macadamia production and kernel sale volumes both improved on last year; up 20% and 72% respectively. Pricing also improved: 28% up on the lows of 2023. Market demand continues to firm, especially in the USA and Europe where retailers have dropped the retail price and boosted consumption, although prices have yet to recover to pre-Covid levels. Kakuzi continues to develop the local market with its own-branded, value-added products such as macadamia oil and roasted packeted product, as well as supplying the local market with raw kernel for bakery products.

In Kenya, national production of macadamia continues to grow and now accounts for c.10% of global production. During the year, the export ban of nut in shell (NIS) sales was lifted leading to large volumes of unprocessed nut being sold to China. The ban on NIS exports has since been re-instated.

FINANCIAL PERFORMANCE SUMMARY

Malawi

Eastern Produce Malawi (EPM) is a tea and macadamia business, being the largest producer of both crops in the country. Camellia owns 74% of the Malawian business, alongside its partner IDC. The operations are split between the Thyolo Highlands and the foothills of the Mulanje Mountain.

EPM's tea operations comprise of 15 tea gardens and eight tea factories. Its tea yields have grown significantly in the last decade supported by a replanting regime to irrigated superior clonal cultivars. Virtually all the tea produced is exported, with the majority being sold direct and the balance being sold through the local auction. The principal markets for the teas are the UK, South Africa and USA.

EPM owns five macadamia estates and a cracking facility. The macadamia footprint is an impressive 1,496ha of mature orchards which have been established over many years from the company's nurseries. This ensures ownership of the entire production chain from seed to saleable kernel. The macadamia cracking facility was one of the first to be established in Malawi and remains a first-rate food processing facility with an exceptional reputation. The macadamia operation exports all its production as processed kernel to Japan and the USA.

£ million	*Year to 31/12/2024*	*Year to 31/12/2023*
Revenue	31.6	*28.5*
Trading profit/(loss)	0.8	*(0.9)*

Tea production in EPM saw record production, up 15% on last year, due to early rains in quarter four of 2024. Pricing for Malawi teas remains under severe pressure with the continued oversupply in the Kenyan market. However, the business has continued to sell its product directly into a variety of markets including USA, South Africa and the UK, and demand remains firm although at historically low prices (down 3% on 2023). Despite this, the large crop volumes, strict cost controls and continuing productivity improvements saw the business generate a positive margin. This resulted in a profitable tea business despite the exceptionally challenging market environment.

Macadamia production in 2024 was adversely affected by the previous year's Cyclone Freddy, leading to a 57% drop in production. This decline in yield had a significant impact leading to losses in the year. Whilst market prices improved, EPM's overall pricing was down on 2023 due to high volumes of low-value, carried-forward stocks which diminished overall average price.

During quarter four of 2023, the significant devaluation of the Malawi Kwacha resulted in the government's revision of the national minimum wage. This resulted in wage increases of 52% pursuant to collective bargaining agreements. Ongoing hyperinflation continues to impact the cost of living in the country with rising prices, particularly on fuel and food and shortages of key goods. This, and a looming election in September, has affected the country's security situation with increasing social volatility.

Tanzania

Eastern Produce Tanzania's (EPT) initial avocado plantings are just starting to come into maturity at its Mgagao farm, with production volumes currently very low. The business continues to plant out c.100ha of new orchard each year with the ultimate objective of c.650ha in total. EPT is located in Iringa within the Southern Highlands district. The location of the proposed new packhouse presents an opportunity to transport produce to Mombasa or Dar-es-Salam, thus providing flexibility around potential logistics challenges should they arise.

£ million	*Year to 31/12/2024*	*Year to 31/12/2023*
Revenue	0.1	–
Trading loss	(1.6)	*(1.5)*

The development continued in 2024 with a further 100ha planted, bringing the total avocado orchard area to 356ha. The losses in 2024 and 2023 relate to uncapitalisable costs associated with the development of the business.

The initial 50ha planting produced its first commercial crop which was packed and exported to India.

The main dam construction has commenced with completion expected in 2025 and will ultimately provide irrigation covering the full 650ha planned development.

FINANCIAL PERFORMANCE SUMMARY

South Africa

Eastern Produce South Africa (EPSA) is a large macadamia operation which has recently begun to diversify into avocado production. The macadamia operations comprise of a 1,005ha contiguous mature orchard with well supplied, rain-fed dams and a developing irrigation infrastructure and a modern processing facility. The business processes and exports its production, with its principal markets being the USA and Japan. In the last two years the operation has entered into nut-in-shell (NIS) sales contracts to China. Such contracts are beneficial for early sales to reduce stocks, generate cash and save processing costs.

The avocado development is relatively small and the orchards are yet to reach maturity.

£ million	*Year to 31/12/2024*	*Year to 31/12/2023*
Revenue	4.1	*4.3*
Trading loss	(0.9)	*(1.7)*

Macadamia production was down 18% due to the impact of lengthy dry spells during the nut development phases in late 2023, during which the necessary irrigation infrastructure had not yet been installed. This situation was rectified in the course of 2024.

National production increased by 12% due to a significant increase in orchards coming into maturity and bearing fruit. Statistics indicate a large increase in the establishment of planted areas nationally, with new regions of Kwazulu-Natal and Eastern Cape now coming into maturity.

Global macadamia production has seen steady growth over the past decade with production up 86% although total macadamia volumes still only account for 1% of the world tree nut production. Global demand continues to grow being driven by China for NIS and the rest of the world for kernel. South African producers continue to sell the majority of their crop as NIS to the Chinese market which maintains good consumption growth. Kernel demand remains predominately within the snacking market whilst trying to drive further growth in the ingredients market. European supermarkets have shown support to the category which, in turn, has increased retail consumption and given wider consumer exposure to macadamia products.

Pricing in 2024 improved on 2023 levels: up 26% for EPSA with good sales to both Asia and USA. All stock was contracted in the year with a limited number of contracts being shipped in early 2025. The business invested in NIS sorting and packing equipment during quarter 1 of 2024 and, again, sold a significant volume of production as NIS. Due to the reduced volumes of production and insufficient recovery of market prices, negative margins persisted, and the business remained loss-making. Overall, trading losses reduced by c.50% but debt increased due to the requirement for further operating capital and increased interest charges leading to overall losses being down c.35%.

Brazil

The operation in Brazil represents the only arable crop production within the Group. Maruque farm, situated in São Paulo state with a 4,000ha arable operation, has many dams, over 30 irrigation pivots and large dry-land production. The operations have recently won a number of recognition rewards for their outstanding results in sustainable farming practices within Brazil.
The farm's single largest product is soya which is harvested in the first quarter. Thereafter, a variety of different winter crops are produced including wheat, barley, maize, oats and sorghum. Most of the production is exported.

£ million	*Year to 31/12/2024*	*Year to 31/12/2023*
Revenue	9.3	*13.3*
Trading profit	2.5	*1.7*

2024 was marked by adverse weather conditions in Brazil. Very high temperatures and the lowest rainfall since records began were experienced. Production suffered as a result, particularly during the soya cropping cycle, resulting in an inability for the crop to reach full yield potential. The high temperatures also led to greater instances of pest and disease attack resulting in significant losses of crop, particularly from dryland areas.

The total volume of soya produced in 2024 was c.25% lower than in 2023.

The total maize production was 27% higher than the previous year, which was due to the significant increase in planted area. Maize yields were down 21% due to erratic weather and increased incidence of pests.

Despite the challenges of weather, positive margins were generated and overall trading profit was up c.47% on the previous year. During 2024, significant progress was made in securing the long-term supply of water on the farm through extensive renovation of certain key strategic dams. This work continues.

Other businesses

£ million	*Year to 31/12/2024*	*Year to 31/12/2023*
Revenue	25.4	*20.5*
Trading loss	(1.2)	*(1.4)*

AJT Engineering

AJT Engineering is a specialty engineering services company based in Aberdeen supporting the offshore oil industry, hydro-electricity providers and other industrial sectors. AJT engineering was profitable in 2024 for the first time since 2014. The company streamlined its operations over the year, reduced its operating footprint, and sold a non-core property in East Kilbride. Progress was made in diversifying its order book, helping to increase revenue by 20%.

Jing Tea

Jing Tea Ltd is a UK based supplier of high-quality teas to the luxury hospitality industry and direct to consumers via its e-commerce platform. Jing Tea increased its revenues in 2024 by 22%, with successes in the Middle East and Africa and the airline sectors. The business is currently working toward the launch of new branding and packaging and is examining options to streamline its logistics and rationalise its product lines. A new e-commerce platform and related support systems were implemented in early 2025.

Eastern Produce Cape

Eastern Produce Cape (EPC) grows grapes on an 80ha estate at the base of the Hawekwa mountains near Wellington in South Africa. The production of wine was halted at the end of 2020 as a result of the closure of the South African tourist industry during Covid, and the absence of viable alternative markets. EPC is currently being offered for sale. In the meantime, the business continues to grow grapes which it sells to local wineries.

EPC produced a record harvest in 2024. All production was sold to local wineries. The operation experienced high levels of rainfall during the 2024 winter months which filled the estates dams and facilitated the prospect of good crop yields for the 2025 harvest.

Corporate assets

Real estate

The disposal of properties continued over 2024 with 6 properties sold, realising net cash proceeds of £6.3 million and profits on sale of £1.2 million. The Linton Park estate was marketed in 2024 with no buyers identified. As a result, it was decided to split up the estate into smaller lot sizes which has proved successful despite the main house remaining unsold. Two further properties were sold in early 2025, including 6 Hobart Place, London which were sold in aggregate for £6.8 million generating a profit on sale of £0.8 million. The sales of real estate will continue through 2025.

Collections

£1.4 million was realised from the sale of art, manuscripts and stamps over the year with profit on sale of £0.6 million. Further sales are planned in the coming years. Due to the relatively limited depth of parts of these markets a phased sale process is being adopted.

Listed securities portfolio

The total value of the portfolio at 31 December 2024 was £30.4 million (2023: £30.6 million). Part of the Group’s strategic reserves have historically been invested in listed securities to generate higher total returns and diversify business risk. The split of investments is shown in note 26 of the accounts.

Acquisitions and investment activities

Capital expenditure in 2024 for continuing operations amounted to £9.5 million. Within this, substantial investment was made in Tanzania expanding our avocado orchards with a total of 100ha of new avocado along with replanting of tea across our estates.

Discontinued operations and disposals

Bardsley

The Bardsley operation was completely closed with all lease agreements successfully exited, creditors paid and all assets sold. Bardsley and its subsidiaries have all been placed in a members' voluntary liquidation process. The loss relating to this in 2024 was £0.6 million (2023: £14.4 million).

BF&M

In November 2024, Camellia sold its shares in BF&M Ltd to Bermuda Life Insurance Company Limited, a subsidiary of Argus Group Holdings Limited, for gross consideration of US$100 million. This concluded a long and successful partnership between the two companies. The net consideration was £78.7 million and a profit on sale of £10.7 million was recorded.

United Finance and United Insurance

In October 2024, Camellia sold its entire holdings in United Finance Limited (38.4% ownership) and United Insurance Company Limited (37% ownership) by way of block trades on the Dhaka Stock Exchange. The cash proceeds were £7.9 million. The loss on the sale of these associates totalled £4.7 million.

Following the sales of BF&M and the Bangladesh financing companies, Camellia no longer has any associates.

Tax and treasury

Currency

Over the course of the year, foreign currency movements resulted in a gain on foreign exchange translation of £6.6 million (2023: loss £43.2 million) which is reflected in the Statement of Comprehensive Income. Our profit before tax includes an exchange loss of £3.3 million on transactions during the year (2023: gain £3.4 million), primarily driven by the strengthening of the Kenyan shilling against the dollar in the first half of 2024.

Tax and other provisions

The Group's tax charge arises from taxable profits in certain operating companies for which no relief is available from losses incurred elsewhere in the Group. Additionally, no deferred tax asset has been recognised in respect of losses in the UK and certain other operating companies.

It is considered that adequate provisions have been made for the likely outcome of wage negotiations and other matters.

Progress was made in 2024 on resolution of historic tax matters in Kenya. However, tax authorities in a number of jurisdictions have been active and there are a number of significant uncertain tax situations, details of which are set out in note 45 to the Accounts.

Pensions

The Group operates a number of defined benefit pension schemes, the largest of which is in the UK. On an IAS 19 basis, at the end of 2024 the UK scheme had a deficit of £2.2 million. The triennial valuation was finalised during 2024 and the trustees and the Company agreed to a recovery plan which was reviewed and agreed by the regulator in early 2025. Deficit reduction contributions were agreed at £1 million per annum until such time as the fund is in surplus, along with a derisking flight path.

Accounting for defined benefit schemes is prescribed by IAS 19 and the quantum of the deficit continues to be highly sensitive to small changes in assumptions as regards wage inflation and gilt yields in the relevant jurisdictions and to asset performance. This year a net actuarial gain after tax of £1.2 million (2023: post tax net loss £3.1 million) is reflected in the Statement of Comprehensive Income arising primarily from the UK scheme.

Buyback

On 6 December 2024, the Company announced the commencement of an on-market equity share buyback program under the authority granted at the Company's Annual General Meeting on 6 June 2024. The program allowed for the on-market purchase by the Company of up to 138,100 its equity shares (5% of the outstanding share capital) and will continue until the Company's next annual general meeting or 30 June 2025, whichever is earlier. As at 31 December 2024, the Company had purchased 3,570 of its own equity shares for an aggregate consideration of £175,996, equivalent to an average price of £49.30 per share. As at 15 April 2025, the Company had purchased 14,761 of its own equity shares for an aggregate consideration of £706,353, equivalent to an average price of £47.85 per share. The Company is required by accounting standards to recognise the maximum potential obligation as at the year end. This amounts to 134,530 shares at £65 per share, £8.7 million in total and is reflected as a liability. Due to the illiquidity of trading and the current share price, the Company expects that the total purchases in 2025 up to the date of the AGM will be approximately £1 million representing a conservative case of purchasing 21,075 shares at £48.

KEY PERFORMANCE INDICATORS

Key financial performance indicators

The nature of the operational companies' principal activities is such that the Board takes a long-term view of operating companies, particularly agricultural operations. The Board reviews monthly reports with a range of financial and other indicators.

The Board receives monthly revenue, profit, cashflow and operating performance information including data on average selling prices per unit of sale and sales volumes, costs of production by unit of production and crop volumes against budget. Weather, pest and disease, employee, local community, logistics, and other operational factors are reviewed as appropriate.

For each of the non-agricultural businesses, monthly revenue, profit and cashflows are reviewed as well as key operating metrics particular to that business.

For the listed securities portfolio and other corporate assets, the composition, value, and any operational matters are reviewed quarterly.

Several of the key financial performance indicators considered by the Board are included in the Strategic Report on pages 12 to 19.

Non-financial performance indicators

Each operating company has developed non-financial KPIs that are relevant to its operation. These include:

- Market trends – including tea auction volumes, demand for each product by country where available, supply data and market prices.
- Health and Safety – including days lost to injury, number of accidents and fatalities, whistleblowing incidents and updates to legislation.
- Grievances – including employee, welfare and social issues.
- Industrial disputes – including days lost to strike action and other significant employee issues.
- Land and politics – including elections, material new regulation or case law.
- Changes in key personnel – including promotions, resignations and retirements of senior management.
- Weather and climate – including rainfall, temperatures and long-term meteorological trends.
- Carbon footprint – including for key inputs and operating sites.

Refer to the Environmental Report for discussion in relation to the Group's carbon footprint.

The Board considers additional KPIs as required and circumstances dictate.

Material risks

The Board has assessed the material risks and uncertainties relating to the Group. The risks with the highest potential impact, together with any relevant mitigations are set out in the table below, alongside an assessment of how the risks have changed year-on-year. All the risks outlined below present potentially material financial consequences to the Group over the medium term. While many of these risks are present in each operating company, each entity is exposed to varying degrees, and in most cases a risk event would be contained to only one or two operating companies. Diversification by crop and location helps mitigate the impact of individual events.

The impact of annual weather conditions and weather trends, driven by climate change, is inherent in many of the key risks. Where climate change impacts a particular risk, it is indicated with either a (P) for physical risk, i.e. the impact is driven directly by climate change, or (T) transitional risk, i.e. the impact is driven by the operational transition to a lower carbon economy.

Camellia's decentralised operating model expects operating company management teams to identify, evaluate and manage risks, including climate-related risks, that are relevant to their geographic location and markets. These are reviewed and aggregated at a Group level and considered by the Board for its assessment of the Group's overall exposure to each risk.

The materiality and relative significance of each risk is determined by considering the risk's likely impact on operational sustainability and resilience, financial resources and social impact in the short, medium and long term. Management of risks may include mitigation, transfer, acceptance or control.

Existing and emerging regulatory requirements related to climate change (e.g. limits on emissions, carbon tax, regulatory energy saving requirements) have been considered. External experts and consultants are engaged to advise where relevant, such as site-level water risk assessments, soil sequestration studies and carbon emissions reporting. Analysis and any recommendations, where relevant, are considered by operating company management teams.

When reviewing the risks, the speed of impact of the risks has been considered (the Velocity) with the following time horizons.

Very slow	3 years or more to materialise. There is time to change strategy to adapt.
Slow	1-3 years to materialise. There is time to implement tactical changes to adapt.
Medium	2 months to 1 year to materialise. There is time to make minor operational changes to adapt.
Fast	Immediate impact. There is no time to adapt.

Key:

↑	Increased risk	P	Physical climate risk
→	Unchanged risk	T	Transitional climate risk
↓	Reducing risk		

Risk	*Climate-related*	*Change over prior year*	*Description*	*Velocity*	*Mitigation*
Price volatility	P	↑	Price volatility due to short term natural crop yield variation year on year, the effect of climate change, global events (pandemic, geopolitics) and disruption models(competition) on crop volumes creating prolonged depressed commodity pricing either individually or in combinations.	Medium	Product and crop diversification and building long-term strategic relationships with key customers. Value-added products production to access and supply markets addresses customer demands whilst having greater control over pricing. Diversifying supply chains and trading routes. Maximising efficiency in the cost of production.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk	*Climate-related*	*Change over prior year*	*Description*	*Velocity*	*Mitigation*
Annual crop yield volatility	P	↑	Normal yields for agricultural crops have significant variability year on year. Climate change has heightened this volatility due to more extreme weather events, pest and disease attacks, reduction in biodiversity and soil quality or a lack of harvesting capability. This impacts both own crop and bought crop.	Medium	Ensure sufficient ability to irrigate crops in the event of drought and promote regenerative agricultural and circularity practices to reduce water usage and enhance biodiversity. Ensure sufficient drainage and disease response agronomy to excess rainfall. Ensuring soil health and erosion prevention measures are implemented and all nutritional requirements are met for the crop. Suitable investment in mechanical harvesting technology and climate resilient crops, where necessary. Obtain crop and business insurance, where available and viable.
Inability to dispose of non-core businesses / assets	T	→	Certain of Camellia's assets and businesses may not be core to the long-term strategy of the Group. These assets and / or businesses will be disposed of in an orderly manner as the market dictates. There is a risk that buyers cannot be found for these assets at prices that are acceptable to the Group. This could be exacerbated by climate impacts making the assets less desirable (e.g. lack of water or issues with logistics).	Slow	Ensuring the non-core assets are maintained and optimised prior to sale.
Human rights	N/A	↓	Reputational damage and / or fines / civil damages / criminal proceedings from current or historic human rights issues.	Medium	Continuing to implement human rights strategies to protect, respect and remedy. Understanding the salient human rights risks (via audits and assessments). Implementing measures to mitigate and prevent such risks from crystalising. Providing on-going training and raising awareness across the Group and communities. Strengthening governance protocols, by way of policies and increased reporting. Providing appropriate mechanisms to bring forward any allegations and redress (such as whistleblowing and operational level grievance mechanisms)

PRINCIPAL RISKS AND UNCERTAINTIES

Risk	*Climate-related*	*Change over prior year*	*Description*	*Velocity*	*Mitigation*
Investment opportunities	T	↑	Inability to find investment opportunities to replace the cash streams derived from the exited companies to ensure medium term coverage of the Group's head office costs and dividends. Climate change may impact the affordability of opportunities or increase the risks of investments.	Slow	Establish contacts across industry to ensure visibility of investment opportunities. Establish rigorous investment evaluation process including environmental due diligence.
Land no longer suitable for current crops	P / T	↑	Climate change renders the current crops unviable due to lack of water, increase heat or extreme weather events, including those supplied by smallholders.	Slow	Diversification of crops to climate-resilient varieties. Geographical diversification of activities. Review climate projections. Ensuring adequate water supply. Support smallholders with training and advice.
Cost of production	T	→	Increased wage costs, cost of inputs and other costs of production, with no mitigating increase in productivity, efficiency or price, caused by local or macro factors including climate (e.g. increased need and/or regulation around personal protective equipment)	Medium	Introduction of more efficient and productive working practices and the increased use of mechanisation and automation. Reducing reliance on employed staff. Investment in replanting, irrigation and soil and crop nutrition to maximise crop production potential. Reduction of energy consumption and/or increased use of renewable energy.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk	*Climate-related*	*Change over prior year*	*Description*	*Velocity*	*Mitigation*
Access to market - supply chain, logistics, tariffs, embargos	T	↑	Delivery of product delays due to logistic changes or interruptions including climate related. Additional costs incurred due to introduction of trade tariffs or climate-related charges. Closure of markets due to trade embargos or ESG legislation or reputational issues. Failure to maintain product certifications for all market jurisdictions can prevent access. Shifting of growing seasons impacting market supply and pricing.	Medium	Continuous review of logistical economic or regulatory barriers to entry to markets and creating a mitigation plan well in advance to avoid delays in delivery of product to customers or the incurring of unnecessary expense. All mandatory certification standards required for any desired market are established and audited as required. Use of a number of logistics providers to maximise cost advantage. Establishment of a very wide base of good customer relationships ensuring excellent support and delighting key customers. Enhance procurement policies and collaboration with key suppliers, including a focus on reducing emissions. Diversify customer location to minimise impact of tariffs / sanctions.
Currency fluctuation and repatriation	N/A	→	Profit volatility arising from sales in US Dollars and Euros where there is no natural hedge against the impact on cost of production in the currency where an operating company operates or where costs are in US Dollars and sales are in local currency. Inability to repatriate local profits in dividends / interest to parent companies.	Medium	Monitoring of foreign exchange rates and cash management. Look for natural hedges on purchases.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk	*Climate-related*	*Change over prior year*	*Description*	*Velocity*	*Mitigation*
Theft, security and damage to property	T	↑	Significant theft / damage of crop or plant and machinery by human or climate creating lower production volumes and increased costs of production. This could be exacerbated by climate triggered events, shortages of fuel raw materials (biomass) and damage to property following extreme weather events. Costs of security increase and relations with communities are also impacted. Danger to staff from confrontations.	Fast	Investment in theft prevention measures including barriers to entry to fields and orchards. Vehicle patrols of orchards by police or third-party security providers during critical maturation and harvesting periods. Manual or CCTV Observation posts with the ability to raise the alarm and direct response teams to theft sight. Adoption of an observe and report approach to illegal incursions or theft situations adopted by own security employees to avoid possible confrontation and to remain safe. Working with industry bodies and politicians to raise awareness. Property insurance and investment in more climate resilient crops and varietals.
Long-term political issues over land ownership expropriation	T	→	Potentially losing access to farms and estates or paying more for existing property (for example if freeholds become leaseholds). Climate-driven migration could make this more likely.	Very slow	Work with local communities to manage tensions. Ensure proper delineation of property and that usage is clear. Work with local jurisdiction to challenge unjust land claims.
Availability, cost and capability of workforce	T	→	Mismatch of labour availability against the work to be done. Either insufficient labour leading to work left undone or excess employees leading to unnecessary cost. This may occur due to migration or other factors including climate change, which could make the work less appealing. Rate of wage increase generally ahead of inflation leading to high costs of production. Lack of requisite capability in the workforce.	Medium	Where possible utilising temporary labour for seasonal work. Compliance with labour laws and implementation to achieve most cost-effective outcomes. Where seasonal labour cannot be used, ensuring productive and efficient use of available labour. Where there is a lack of sufficient labour, looking to other sources to cover requirements when needed. Plant / manage estates to prepare for mechanisation.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk	*Climate-related*	*Change over prior year*	*Description*	*Velocity*	*Mitigation*
Foreign exchange	N/A	↑	Profit volatility from the holding of cash and investments in non-sterling currencies.	Medium	Holding US Dollars is conscious decision as a natural hedge against the most likely investment opportunities for the Group, being either US Dollars based or pegged to the US Dollar. It is unlikely that there will be significant investment in GBP-based opportunities.
Defined benefit pensions	N/A	↓	Increase in the pension schemes' deficits with a resultant increase in the funding required from the Group from increases in inflation and/or reductions in long-term government bond yields, lower than expected asset return or changes in longevity.	Medium	Regular monitoring of the funding position of the pension schemes and their investment performance Improvement to the investment strategy and hedging key exposures when appropriate. New valuation undertaken and de-risking glide path agreed.
Tax	N/A	→	Changes to fiscal regimes leading to increases in the effective tax rates in jurisdictions. Uncertainties in the interpretation of complex tax legislation or arising from changes in tax legislation. Risk that the Group's judgements are challenged by tax authorities. Increasing political focus towards increasing tax revenues. Difficulties in recovering tax.	Slow	Tax exposures are considered individually, and judgements made with support from experienced tax professionals and external advisors. Transfer pricing strategies are reviewed with external advisors.
Management override of internal operational controls and procedures	N/A	→	Senior line management making decisions to bypass or override procedures or operational policies.	Medium	Clear documentation of process and procedures. Reinforcement of criticality of following procedures. Internal audit reviews.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk	*Climate-related*	*Change over prior year*	*Description*	*Velocity*	*Mitigation*
Health and safety	P	→	Vulnerability of employees to injury at work due to the use of machinery and chemicals. Downstream impact from dam breaches. Impact of fire on crops and other assets. Physiological impact of climate change on employee productivity. Payment of fines and claims, criminal prosecutions and reputational damage. Increased costs of adapting to change in climate.	Fast	Strict compliance with legislation and training employees to adopt safe working practices. Regular monitoring of dams and review of downstream habitation. Regular external compliance reviews. Employer's liability insurances.
Legal and regulation, fraud	T	→	Legal risk in relation to the activities of overseas operations (including potential litigation in the UK) and incurring costs in relation to the same. Breach of local regulations or fraud, leading to reputational damage, prosecution and / or fines. Changes in regulation (including environmental rules) make business unviable. Increased costs of compliance.	Slow	Monitoring the interpretation of law and taking appropriate advice and monitoring and auditing compliance with new developments. Invest in employees, local advisors and systems to ensure compliance with evolving regulations.
Civil unrest, political instability and war	T	↑	Periodic interruptions to the operation of the businesses. Supply chain disruption, lack of availability of key inputs. Impact on logistics and ability to get products to market. Reduced demand for products and inflationary pressure. It is expected that climate transition will increase the likelihood of instability.	Fast	Diversifying business by geography. Maintain market supply options and carrying buffer stocks. Maintaining diverse customer base. Increasing security for our workers and operations during times of civil unrest. Community partnership projects and climate change awareness forums, including climate change resilience. More engagement with SMEs to support local economies.

Risk management

The risks above are primarily managed, where applicable, by the operating companies' management teams and their boards. During 2024, the Board updated the Enterprise Risk Management framework. Operating companies are working to embed this within their businesses to improve their risk management and internal control oversight. This framework lays out the expectations relating to internal controls oversight and internal audit, along with the oversight by the operating companies' audit and risk committees.

Operating company audit and risk committees review all audits and, where significant deficiencies which could have a material impact across the Group are identified, the Group Audit and Risk Committee reviews to ensure adequate actions are agreed and that material findings are closed effectively. The audit committees review the key risks and the mitigations of those risks to ensure that they are being managed adequately. The operating companies' audit plans are reviewed with their risk matrices to ensure key risks are reviewed.

Climate-related financial disclosures

The climate-related financial disclosures made by the Company are in accordance with the requirements of the Companies Act 2006 as amended by the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 (CFD).

Climate change is especially pertinent to the operating companies as they are primarily involved in agricultural crop production. Operating companies are experiencing the physical and transitional impacts of climate change to varying degrees. As scientific knowledge progresses, understanding of the impact of climate change on the Company's portfolio of businesses will evolve and will influence how the Group mitigates and adapts to these risks.

Governance

In line with the Company's stewardship approach, operating companies monitor and implement their own strategies to address their climate-related risks and opportunities. The Board oversees the Group's climate-related risks and opportunities, with the Sustainability and Safeguarding Committee (SSC) supporting the Board by monitoring the implementation of these strategies. The role of Camellia Shareholder Representatives, who serve as non-executive directors on operating company boards, includes working with operating companies to manage climate-related risks and opportunities. Further details regarding the Company's governance structure and the management of climate-related risks and opportunities can be found in the Governance section on page 37 and in the risk management section of the Strategic Report on page 28.

Strategy

The Board reviews all risks and opportunities identified across its portfolio of operating companies over four timeframes and determines the most material risk exposures. The list of actual and potential climate-related risks and their impact identified by the Board, as well as further details regarding the timeframes, are included within the Principal Risks and Uncertainties section of the Strategic Report on page 21. Climate change impact is inherent in most risks and, as such, is reviewed with the resultant impact. The Board recognises the evolving nature of climate-related risks. It continues to identify, and where relevant, implement feasible mitigation actions, particularly those relating to energy efficiency and renewable technologies.

The Board has also identified several potential climate-related opportunities that may impact the portfolio or individual operating companies. It is not expected that any of these opportunities are likely to occur with fast or medium velocity. These opportunities may include:

Portfolio:

- New revenue streams and enhanced profitability through diversification into new, more climate-resilient businesses.
- Enhanced financial returns from existing operating companies.

Operating companies:

- New revenue streams and enhanced profitability through diversification into new, lower climate impact crops and markets.
- Improved yield and more resilient harvests following a review of agronomic practices, including enhanced biodiversity through enhanced farming practices, including interplanting, mulching, rewilding and replanting with more climate-resilient varietals.
- Reduced costs through investing in sustainable energy and water supplies, also resulting in reduced reliance on unstable external supplies.
- Commercialisation of infertile land e.g. installing solar fields on redundant land and establishment of polytunnels for intensive hydroponic crop production systems.
- Competitive advantage over competitors who failed to adapt, or are in growing zones more affected by climate change.
- Lower carbon emissions and costs via cooperation across the value chain.

Impact on business strategy and financial planning

Climate-related risks and opportunities have a significant impact on Company's business strategy and sustainability. Examples include the disposal of Californian agricultural assets and the acquisition of land in Tanzania, both in 2020. The fast and medium risks and opportunities identified are relevant to the operating companies' budgeting and forecasting cycles, whilst the slow and very slow risks and opportunities are pertinent to strategic planning.

The impact of the risks and opportunities identified will vary depending on which of the climate scenarios outlined within the UN's Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways (RCPs) transpire. The risks and opportunities identified by the Board have not yet been modelled in line with the RCPs.

As described in more detail above, the Board anticipates that the following may affect different RCPs:

- Rainfall patterns, including when rainfall occurs and changes in the amounts and severity. This may impact seasonal crop growth patterns, crop yields and levels of pests and diseases.
- Heat levels, such as prolonged heat and higher temperatures, can also have a significant impact on crop yields and levels of pests and diseases, as well as operating company employee's health and ability to work.
- Prolonged periods of drought similarly impact yield and levels of pests and diseases and ultimately the survival of the crop.
- The occurrence of more extreme weather events will impact crops and yields and may adversely impact operating companies' critical infrastructure and their supply chains.

The Board continues to explore and consider climate modelling tools and their ability to assist with this process. Detailed quantitative modelling of climate impacts on the operating companies is required to deepen the Board's understanding of the potential materiality, scope and financial impact of the identified risks and opportunities, including building upon the results of its water footprint, which it completed in 2024. The SSC discussed various climate modelling tools and agreed that due to a lack of precision on a localised level, climate modelling across the Group would not progress at this time.

However, the Board recognises that quantitative climate modelling will increase in granularity and accuracy over time and will regularly reconsider its approach. In the meantime, operating companies will continue to capture historical climatic data to monitor changes in the weather and the environment. This data will be used to generate qualitative high-level climate scenarios to make strategic decisions and to support the resilience of the operating companies' business models and strategies. With the more intense RCPs, where the global mean temperatures are modelled to rise more extensively, the impact of the physical risks identified will be more severe.

Given the diversity of operating company locations and crops, the Board considers the Group to be materially resilient to physical and transitional climate-related risks for at least the next 12 months, supporting the preparation of the financial statements on a going concern basis.

Risk management

Climate-related risks are not considered separately from other principal risks identified within the Group. The Board recognises that climate change impact is a part of most risks and, as such, is reviewed with the resultant impact. Further details regarding management of risks within the Group, including the processes used to identify and assess the risks, are set out in the risk management section in the Strategic Report on page 28.

Metrics and targets

Operating companies capture and monitor specific data to assist with assessing and managing climate-related risks and opportunities. Climatic data, such as rainfall and temperature, is used to recognise trends and highlight potential changes in the climate. Operating companies have been collecting Scope 1 and 2 data since 2016 and began collecting data to measure their Scope 3 footprint in 2023. Operating company emissions and made tea carbon intensity are monitored to track impact on the environment and assess areas of materiality for change.

The most recent Scope 1, 2 and 3 emissions, as well as tea carbon intensity metrics, are set out in the table below.

Year	*2024*	*2023***
	Group	*Group*
Reported by		*Restated*
Scope 1 (tCO_2e)*	146,831	146,595
Scope 2 (tCO_2e)	54,029	48,864
Total gross Scope 1 and Scope 2 emissions (location-based) (tCO_2e)	200,860	195,459
Scope 3 (tCO_2e)***	2,288,571	2,093,395
Total gross Scopes 1, 2 & 3 emissions (tCO_2e)	2,489,431	2,288,854
Outside of Scope emissions (tCO_2e)****	104,335	100,560
Intensity ratio: $kgCO_2e$/kg of made tea	1.17	1.22

* tCO_2e – tonnes of carbon dioxide equivalent

** Scope 3 emissions include emissions from the indirect use of products (Category 11b). These emissions are predominantly from the use of the kettle by the final consumer in preparation of tea and represent over 1.8 million tCO_2e.

*** The Outside of Scopes emissions do not include any bioenergy elements of the grid electricity consumed and fossil fuels used for transport and on-site combustion.

Changes in scope 1 and scope 2 emissions

The emission factors in the model have been provided by the Carbon Trust Advisory Limited (Carbon Trust). The Company recognises that the nature of sustainability reporting is continuously evolving and that there may be alternative methodologies to calculate emissions. The current approach used to calculate fertiliser in-use emissions applies a simplified methodology. In the coming months, the Company and Carbon Trust will consider a more advanced approach. It is acknowledged that the existing calculations may under-estimate emissions from fertiliser use by approximately 25%.

On an aggregated basis, scope 1 and scope 2 location-based emissions in the reporting period increased by less than 3% compared to the prior year. Scope 1 emissions have remained stable. Increases due to higher production volumes at EPK and EPM and increased fertiliser applications at Goodricke were offset by lower fertiliser application at Duncan Brothers and the disposal of Bardsley during the reporting year. Scope 2 emissions increased predominately due to an increase in electricity consumption as a result of higher production volumes and irrigation requirements.

The Company specifically reports its made tea intensity ratio (2024: 1.17 $kgCO_2e$ per kg of made tea; 2023:1.22 $kgCO_2e$ per kg of made tea) as energy use in the production of tea is significant to the Group's emissions. Investment continues to be made to improve the carbon efficiency of the Group's tea factories. The 4% decrease in the Group's location-based made tea carbon intensity is largely due to key initiatives in the reporting year, including the installation of waste heat recovery units and enhanced firewood management practices.

Introduction to scope 3

The Company has opted to disclose scope 3 emissions for the first time in 2024. Scope 3 emissions are the indirect emissions generated in the Group's upstream and downstream activities, that its operating companies do not directly own or control. Scope 3 activities have been calculated on a "cradle-to-grave" basis, incorporating emissions from raw material extraction to product end-of-life. Key sources of the Group's scope 3 emissions largely arise from the production of crop inputs (such as fertilisers and other agrochemicals), further downstream processing and manufacturing for consumption by the final consumer, as well as product disposal. For example, this includes the blending, packing and transportation of tea and the process of turning wood into paper.

Metrics and targets

The Company has not yet formally set Science Based Targets (SBTs), but is continuing to collect carbon emissions data whilst the operating companies regularly review and implement initiatives for carbon reduction. Progress has not as yet been made with regard to Forest, land and agriculture Guidance (FLAG) reporting as the GHG's land sector and Removals Guidance is still in draft form and carbon sequestration accounting is in its infancy.

Streamlined Energy & Carbon Reporting (SECR)

Under SECR, UK operating companies are required to disclose certain energy use metrics and their associated emissions. Energy saving initiatives disclosed within this Annual Report form part of the Company's mitigating actions against the impact of climate change.

ENVIRONMENTAL

UK GHG emissions and energy use data for the year to 31 December

Year	*2024*	*2023* & **
Reported by	*UK*	*UK Restated*
Emissions from the combustion of fuels, fertilisers, waste, livestock, land use change and refrigerants (Scope 1) (tCO_2e)	536	1,389
Emissions from purchases of electricity, heat, steam and cooling purchased for own use (Scope 2, location-based) (tCO_2e)	320	1,010
Total gross Scope 1 and Scope 2 emissions*** (location-based) (tCO_2e)	856	2,399
Scope 1 & 2 Emissions (Location Based) (tCO_2e) per total £m sales revenue	28.90	57.96

* ACS&T's Scopes 1 and 2 emissions were included in 2023 up to the date of its divestment, 10 January 2023.

** Following the refinement of the emission factors for a number of fertilisers, the figures for 2023 have been restated.

*** Outside of Scopes emissions are not reported for UK GHG emissions because the UK operating companies do not combust biofuels. Due to lack of availability of data, the Company does not state the emissions from any bioenergy elements of the grid electricity consumed and fossil fuels used for transport and on-site combustion.

Refer to Appendix 1 for more detailed data including market-based data and Appendix 2 for the methodology.

Changes in UK-based scope 1 and scope 2 emissions

The decline in emissions from the UK-based operating companies is predominantly due to the closure of Bardsley and BHT at East Kilbride (AJT) in 2024.

Energy efficiency action taken

The primary energy efficiency action carried out within the Group's UK companies in the reporting year was the installation of a replacement roof at AJT Engineering, complete with improved insulation and 162 solar panels. This new roof is expected to achieve energy savings of 74 MWh per year.

Energy efficiency initiatives are also being considered and piloted in the Group's non-UK companies. EP Kenya, for example, has installed additional waste heat recovery units in some of their tea factories (with additional units planned in 2025), and further enhanced their firewood efficiency practices, particularly through the introduction of various initiatives to reduce wood moisture levels as much as possible before use. Renewable energy initiatives remain an area of focus across the Group. Current projects include the exploration of pyrolysis of macadamia shells at Kakuzi and the increasing use of solar power for pumping water in Brazil.

Employees

Core to the Company's purpose is ensuring an inclusive culture that respects and supports employee rights and promotes welfare and wellbeing. Operating companies have processes and procedures in place including a range of formal and informal mechanisms which support the effective flow of information to their senior management and boards and is incorporated into management actions. Examples of these include health and welfare meetings with employees in India, the panchayet meetings in Bangladesh, and the independent grievance mechanisms established in Malawi and Kenya. Operating companies' boards engage in close monitoring of these systems and some operating companies employ other feedback systems, such as the employee satisfaction survey at Kakuzi.

The table below provides a breakdown of the gender of the Camellia Board of Directors, and across the operating companies as at 31 December 2024.

	Men	*Women*
Camellia Directors	7	2
Operating companies' employees (full time, part-time, temporary)	50,187	54,274

Diversity, including board diversity, is addressed within the Employee Welfare Group Principal Policy, which sets expectations with respect to diversity and inclusion (page 44). Operating companies continue to work to improve the level of diversity represented on their boards and executive teams. As part of its recruitment process, recruitment agencies are asked to explore diversity candidates.

Members

Executive and non-executive Directors, including the Chairman, have held several meetings with significant shareholders in the Company during the year. A wide range of topics were discussed. Most of the discussions centred around the future direction and strategy of the Company, capital distribution and future investment opportunities. The Board will incorporate the answers to these questions into its communication with investors during May 2025.

Matters concerning Board independence were also raised by investors. In July 2024 the Board appointed two new Independent Non-executive Directors, both to address this matter and to add valuable new skills and experience to the Board.

The Annual General Meeting provides an opportunity for members to raise queries with the Board and make their views known. Regulatory News Service announcements also keep members informed.

The relationship between Camellia and its controlling shareholder is reflected in Note 48 of the Accounts.

Other stakeholders

The Board recognises the value of stakeholder relationships and the key role that they play in the Group's sustainability and long-term success. Operating companies foster relationships with stakeholders through regular interaction with suppliers, customers, communities and local and national governments. Community engagement programmes facilitated by operating companies during the reporting period include tea buyer projects that include participation from customers and local government. Operating companies also sponsor a number of educational programmes and provide technical support and training opportunities for local tea and avocado smallholders.

Operating companies continue to work on initiatives to protect and promote human rights. This encompasses the principles of peaceful, long-term and mutually beneficial relationships between the businesses and the communities affected by them. Many environmental and social projects are initiated by staff in operating companies, which are highlighted on their websites and various social media channels. Further information can also be found in the Environmental section. The Board seeks engagement with a full range of stakeholders to ensure that it is well informed of their views and encourages operating companies to engage effectively with stakeholders.

The Group uses its digital footprint, including the Camellia website, operating companies' websites and social media channels, to communicate with stakeholders. Many operating companies use social media platforms such as Facebook, YouTube, and X to support employee and stakeholder engagement.

Community and the environment

The Board recognises the importance of the impact that operating companies have on the communities and environments within which they operate.

Operating company boards monitor social and environmental KPIs. Additionally, site visits are conducted by executives and management to observe the various ongoing and planned social and environmental investments and initiatives.

High standard of business conduct

Group Principal Policies (GPPs) are used to promote a high standard of business conduct by operating companies, which is crucial to their maintaining their licence to operate in the countries in which they are situated. Refer to pages 44 to 45 of the Corporate Governance section.

Operating companies are expected to uphold values of integrity, quality, fairness, sustainability and long-termism in all of their dealings with stakeholders.

S172 STATEMENT

Section 172 of the Companies Act 2006 requires the Directors to promote the success of the Company, to do so for the benefit of its members as a whole, and in doing so, to have regard to six principles.

The six principles of the Section 172 statement are set out below, with appropriate references to the relevant disclosures in this Annual Report.

Section 172 principle	*Location of further information*
Likely consequences of any decision in the long term	Chairman's Statement (page 5) Chief Executive's Statement (page 6) Group strategy (page 9) Business model (page 9) Key financial performance indicators and non-financial performance indicators (page 20) Going concern (page 36) Principal risks and uncertainties (pages 21 to 28) Internal control and risk management systems (page 43) Climate-related financial disclosures (pages 21 and 29) The Board and descriptions of the activities of Board Committees (pages 38 to 43) Statement of Directors' Responsibilities (page 50) Board decisions (pages 11, 37 and 38)
Interests of employees	Support to employees and their communities (pages 33 to 34) Employees (page 33) Purpose, culture and values, business model and strategy (pages 8 to 11)
The need to foster business relationships with customers, suppliers and others	Chairman's statement (page 5) Chief Executive's Statement (page 6) Stakeholders (pages 33 to 34) Report of Directors (page 46) Purpose, culture and values, business model and strategy (pages 8 to 11)
The impact of operations on the community and the environment	Chairman's Statement (page 5) Community and the environment (page 34) Purpose, culture and values, business model and strategy (pages 8 to 11)
Maintaining a reputation for high standards of business conduct	High standard of business conduct (page 34) Group principal policies (pages 44 to 45) Purpose, culture and values, business model and strategy (pages 8 to 11)
The need to act fairly as between members of the Company	Members (page 33) Relationship with largest shareholder (note 48 of the Accounts) AGM (page 46) Purpose, culture and values, business model and strategy (pages 8 to 11)

In performing their duty under section 172(1) (a) to (f) of the Companies Act 2006, Directors have acted in a way that they have considered, in good faith, to promote the success of the Company as a whole, whilst carefully considering the interests of shareholders and other stakeholders which have an impact on the long-term success and sustainability of the Group, and the Group's impact on the environment.

VIABILITY AND GOING CONCERN

The Directors, at the time of approving the financial statements, considered the main trends and factors likely to affect the Group's business activities and the most recent business performance as described in the Chairman's Statement, the CEO's Statement and in the Strategic Report on pages 5 to 19.

They also considered the potential impact of the current operating environment and the known risks arising from the Ukraine and Middle East conflicts and other geopolitical matters on the business for the next 15 months. The impact of the new USA tariffs has been considered and the Board concluded that, while the effects are still uncertain, the tariffs should not have a materially adverse impact on the Group as the markets for the produce are well diversified.

At 31 December 2024, the Group had cash and cash equivalents of £98.7 million, treasury deposit of £39.9 million and money market investments of £4.8 million, totalling £143.4 million. In addition, the Group had a portfolio of investments with a fair market value of £30.4 million. Group borrowing was £18.7 million. It is expected that short-term loans and overdrafts due for renewal during the next 12 months will be renewed in the ordinary course of business.

The Company has modelled various severe but plausible scenarios using assumptions including the combined effect of lower-than-expected sales volumes for tea, avocado and for macadamia during 2024. These have been reviewed by the Audit and Risk Committee. The revenue and operational impact of such volume reductions across our operations would negatively impact Group profitability. We have also considered the combined impact of the risk of price reductions during 2024 for our tea, macadamia, avocado and soya crops.

Historically in the tea operations, restrictions on, or reductions in, the supply of tea either regionally or globally have led to higher selling prices. However, for downside scenario planning increased selling prices for tea and any significant mitigating reductions to the operating cost base in tea operations have not been reflected. It has been assumed that in certain scenarios aspects of the investment programme could be curtailed.

Under both the base case and the downside scenario, the Group is expected to continue to have sufficient headroom relative to the funding available to it.

The Directors believe that the Company and the Group are well placed to manage their financing and other business risks satisfactorily and have a reasonable expectation that the Company and the Group will have adequate resources to continue in operational existence for the foreseeable future. The Directors therefore continue to adopt the going concern basis in preparing the financial statements.

Approved by the Board

Byron Coombs
Chief Executive

29 April 2025

Chairman's Corporate governance statement

The Chairman, working closely with the Group General Counsel & Company Secretary and the Nominations and Governance Committee of the Board, is responsible for setting and maintaining corporate governance standards for the Company. The Company is committed to complying with the Quoted Companies Alliance's Corporate Governance Code for Small and Mid-size Quoted Companies ("QCA Code"). The Chairman considers the application of standards of corporate governance under the QCA Code appropriate for the Company's status, profile, size and circumstances, and important in ensuring that the Company is managed for the long-term benefit of all stakeholders. In the summer of 2024, the Board undertook a comprehensive review of the Company's corporate governance standards in an effort to align with the most recent QCA Code. The Board is comfortable that the Company will be fully compliant with the revised QCA Code, which becomes effective for financial years commencing on or after 1 April 2024, for the Company's 2025 reporting cycle.

As set out in the Chairman's Statement on page 5, in 2024 the Board restated Camellia's purpose, values, objectives, business principles and strategy and strengthened relevant parts of the Company's corporate governance framework to support these, and to provide greater clarity to the Company's operating model and how it engages with operating companies. This work included the clarification of decisions reserved for the Board and the establishment and terms of reference of key committees.

A high-level summary of the Company's corporate governance framework, as considered by the Board through 2024, is set out below:

Overview

The Company views the financial and commercial success and long-term sustainability of operating companies as being of the utmost importance, as a necessary condition for the achievement of its purpose, and manages its investments and assets in a manner which affords the operating company management teams a high degree of autonomy over the day-to-day management of their business. The Company does not control or direct operating company businesses. Each operating company has a board of directors to provide guidance to the management team and approval of matters reserved for that board.

Operating company boards are accountable to their shareholders and other stakeholders: for the long-term commercial success of the business; to balance the benefits accruing to the shareholders with employees, the local community and environment; for ensuring that the risks of the business are properly understood and managed; and for ensuring that the operating company operates, to the extent practicable, in alignment with Camellia's purpose, values, strategy, and guiding policies and business principles. While operational management decisions and actions lie with each operating company's managing director and its other executive directors, the operating company board remains accountable for the long-term success of that company and for the quality of executive management.

Decisions Reserved to the Board

As part of Camellia's governance policies, the Board has approved a schedule of 'Decisions Reserved to the Board'. This relates to the governance of Camellia Plc and is a schedule of matters which the Executive Committee (see below) does not have delegated authority to decide and must refer to the Board for decision.

The 'Decisions Reserved to the Board' include matters related to, *inter alia*, strategy, share capital, finance, audit and internal controls, shareholder communication, board and committees, remuneration, corporate governance and other miscellaneous matters.

The role of the Executive Committee

The Board has approved the establishment and the terms of reference of the Executive Committee, which is responsible for supporting the CEO in the management of the Company, as delegated by the Board. This includes all Company matters, such as financial oversight and reporting, financial control mechanisms, risk management and compliance, operationalising the agreed purpose, values, business principles and strategy, investor and shareholder relations and matters relating to UK employees. The Executive Committee is also responsible for preparing papers for Decisions Reserved to the Board.

The Committee meets at least once a week and on an ad hoc basis as required, and comprises of the CEO, who acts as Chair, CFO, Director of Agriculture, Group General Counsel and Head of Human Resources.

The role of the Strategy Committee

The Board also approved the terms of reference and extension of the Company's existing Strategy Committee. The Strategy Committee now comprises of the five members of the Executive Committee, the Head of Commercial Management and the Head of Strategy. It has two distinct roles: firstly, developing Camellia's strategy with respect to its overall portfolio of assets and, secondly, reviewing operating companies' operational performance.

The division of management oversight across these two committees more clearly separates the two distinct roles played by the executive team. Broadening of the Strategy Committee membership brings more expertise to the table and improves the speed of information flow and overall business efficiency.

The Board

The Board currently comprises nine Directors, six of whom are non-executive Directors, including the Chairman, as set out on page 4. The remaining Directors are executive Directors. The names and brief biographical details of each Director appear on pages 38 to 40 and include the relevant experience, skills and capabilities that each Director brings to the Board. The Chairman considers that the Board has in these Directors the necessary mix of experience, skills, capabilities and diversity to adequately inform and oversee the execution of the Company's strategy for the benefit of all shareholders over the medium to long-term.

The Board has established four Committees: Remuneration Committee; Audit and Risk Committee (ARC); Nominations and Governance Committee; and Sustainability and Safeguarding Committee (SSC). Terms of Reference for each Committee are available on the Company's website.

Directors are required to attend around nine Board meetings per year and, subject to membership of Committees, five Audit and Risk Committee meetings, two Remuneration Committee meetings, ad hoc Nomination and Governance Committee meetings (but at least one) and four to six Sustainability and Safeguarding Committee meetings. Directors are expected to devote sufficient time for preparation for these meetings and to be available for ad hoc advice and guidance. Directors are also required to ensure that any external roles that they might hold will not restrict their contribution to the Board or the Committee(s) on which they serve. Directors' attendance for the year can be found on page 43.

A report summarising the Group's most recent financial and operational performance data is provided to Directors in advance of every Board meeting. Each Director has sufficient information before Board meetings to enable informed judgements on matters referred to the Board.

When considering matters that have significant implications and consequences for the Company and its stakeholders, the Board ensures that its decision making considers the Company's purpose, values, business model and strategy, whilst taking into consideration the risks and opportunities, and how different stakeholders may be impacted.

Directors

The Directors are listed on page 4. The following Directors have beneficial interests in the shares of the Company:

Camellia Plc ordinary shares of 10p each:	*31 December 2024*	*1 January 2024*
Simon Turner	100	0
Byron Coombs	2,000	0
Graham Mclean	100	0
Oliver Capon	1,200	0

Under the Company's articles of association all the Directors are required to retire annually. Accordingly, Simon Turner, Byron Coombs, Oliver Capon, Graham Mclean, Stephen Buckland, Rachel English and Frédéric Vuilleumier will retire and, being eligible, will seek re-election at the forthcoming Annual General Meeting (AGM) on 5 June 2025. Alison McFadyen and Alec Hayley were appointed as Directors effective 1 July 2024 and will seek election to the Board at the AGM.

None of the Directors or their families had a material interest in any contract of significance with the Company or any operating companies during, or at the end of, the financial year.

Executive Directors

Byron Coombs was appointed Chief Executive on 25 September 2023. He has extensive experience in the financial and investment management sectors and served as CEO of the Group's private bank, Duncan Lawrie, from 2014 until its sale in 2017, and was thereafter employed by the Group as Investment Director prior to his appointment as Chief Executive.

Byron's calm, reflective leadership has been a great asset, and his abilities as a communicator have been praised both internally and externally; he used his experience of investment analysis in assessing the position of the operating companies and in formulating the future strategy for the Company.

Oliver Capon was appointed as Chief Financial Officer Designate on 28 May 2024 and Chief Financial Officer on 6 June 2024. Oliver is an experienced CFO with thirty years of experience, initially at Arthur Andersen and subsequently at Shell Plc, where he has worked in the UK and internationally. He has an MEng in Engineering Science from Cambridge University and is a Fellow of the Institute of Chartered Accountants of England & Wales.

Oliver's technical skills and experience have maintained a rigorous approach in the finance department, and stimulated an evolution in the risk-evaluation role of the Audit Committee. His constructive communication with both investors and advisers has been crucial in the Board's stakeholder engagement.

Graham Mclean, a qualified agriculturalist, was appointed as Director of Agriculture in October 2014. He was previously Regional Director of the Group's operations in Africa and has worked for the Group for more than 30 years.

Graham's lifetime of experience as an agriculturalist, particularly in East Africa, has been invaluable, particularly in understanding and assessing crop-related challenges and opportunities across the Group; he is a vital asset to the Board in its assessment of how effectively the Group businesses are operating.

Susan Walker was appointed Chief Financial Officer for the Group on 4 June 2015. She joined Camellia as Finance Director Designate on 1 July 2014. She is a chartered certified accountant and a non-executive director of Goodricke Group Limited. Susan resigned from the Board on 6 June 2024.

Susan's technical expertise, experience at Camellia and extraordinary determination gave her a vital role this year, particularly in completing the sale of our Bangladeshi and Bermudian associates, and her ongoing role on India and Bangladesh operating company boards remains highly valuable.

Non-executive Directors

Simon Turner was appointed Non-executive Chairman on 1 December 2023, having served as a non-executive Director since March 2020. After spending the early part of his career in the legal profession he became chairman of the Camellia Foundation, stepping down in November 2023. He is chair of the Nominations and Governance Committee and a member of the Sustainability and Safeguarding Committee.

Simon's understanding of the Company enabled him to lead on numerous successful executive and non-executive appointments this year; his legal experience was valuable in the restructuring of the governance framework, and his appreciation of the Company's ethos has given rise to inclusive and healthy board debate.

Alison McFadyen was appointed as an Independent Non-executive Director in August 2024. She has 40 years of international financial services experience, serving 22 years at Standard Chartered Plc, a FTSE 100 bank. Following her retirement in 2022, Alison has since served as a non-executive director of Standard Chartered Bank. She has significant executive experience in a variety of roles, latterly Group Head of Internal Audit at Standard Chartered Plc. Alison holds a Master of Business Administration. She is the Senior Independent Director and is a member of the Audit and Risk Committee and the Sustainability and Safeguarding Committee.

Alison's financial and accounting skills and internal audit experience in an international context have provided the board with valuable positive input and constructive challenge, both at Board and Committee level, and her dedication to effective engagement has made her an ideal choice for Senior Independent Director.

Stephen Buckland was appointed as a Non-executive Director in 2021. He previously held positions within the Camellia Group's agricultural and banking businesses. He holds an executive position within The Camellia Foundation, a UK charity whose primary donor of the same name is the ultimate majority shareholder of Camellia Plc. He is also a director of the Camellia Private Trust Company, president of the board of the trustee of The Camellia Foundation (Bermuda), director of Camellia Holding AG and became the chair of Goodricke Group Limited in January 2024.

Stephen's experience within the Group is invaluable for discussions on purpose and values; his experience in a highly regulated sector added value to his contributions on the Board's risk analysis and his understanding of the Indian and Bangladeshi operating companies allows him to provide high quality input in this regard.

Rachel English was appointed as an Independent Non-executive Director in May 2022. She is a chartered accountant with extensive international and general management experience, having founded and served on the board of several significant businesses. She has substantial experience and interest in ESG matters. She chairs the Audit and Risk Committee and the Sustainability and Safeguarding Committee and is a member of the Nominations and Governance Committee.

Rachel has used her strong organisational and analytical skills to purposefully and positively lead the Audit and Risk Committee – where her accounting expertise came to the fore - and Sustainability and Safeguarding Committee – where she employed her ESG experience, particularly in carbon reduction discussions.

Alec Hayley was appointed as an Independent Non-executive Director in August 2024. He is a Chartered Accountant and CFO with 30 years of experience in the agriculture commodity sector in developed and emerging markets, with significant management experience in the Company's key markets in Africa and Asia. He holds an executive role at ECOM Agroindustrial Corporation Limited. Alec is a member of the Audit and Risk Committee.

Alec's financial and accounting background provides the Audit and Risk Committee with a great resource, and his experience in a different but related sector of agriculture provides the Board with a valuable new perspective on commercial developments, particularly relating to diverse international markets.

Frédéric Vuilleumier was appointed as an Independent Non-executive Director in March 2013. He is a partner of Oberson Abels SA, a law office based in Geneva, Switzerland. He is a member of the Remuneration Committee and the Nominations and Governance Committee.

Frédéric's forensic and systematic approach to challenges has assisted the Board's deliberations, particularly when discussing legal risks arising in a number of operating companies; his legal background has been of real value to the Nominations and Governance Committee this year in its governance review.

Company Secretary

Denise Bodri was appointed Company Secretary on 31 December 2023 on an interim basis. She resigned as Company Secretary on 1 August 2024 and remains in her role as Senior Legal Counsel. She is a qualified solicitor in England and Wales.

Nischal Hindia was appointed Group General Counsel and Company Secretary on 1 August 2024. He has 22 years of experience, has practised law in India and the UK with a particular focus on mergers and acquisitions, and held senior in-house legal and secretarial roles covering the UK, India and Bangladesh including at Diageo, GlaxoSmithKline and Redx Pharma. He is a qualified solicitor in India and in England and Wales and is a member of The Law Society.

Board evaluation

The Directors' skills and competencies were assessed against those required by the Company. The results are summarised below.

	# Directors	
Skill / Competence	*Understanding*	*Expertise*
Accounting	6/9	3/9
Agriculture	4/9	2/9
Corporate governance (listed co)	4/9	5/9
Developing markets	4/9	4/9
Environment and social	7/9	2/9
Finance and treasury	3/9	6/9
General management	2/9	7/9
Legal / regulatory	8/9	1/9
Mergers and acquisitions	3/9	4/9
Risk management	1/9	8/9
Strategy	3/9	6/9

Through 2025, the Board will continue to develop its skills and competencies through visits to operating companies, briefings from industry experts and professional service firms and continuing professional development.

The Board agreed to undertake a performance evaluation by way of internal review every year with an independent evaluation every three years. At the end of 2024, the Chairman organised a detailed internal Board evaluation covering, inter alia, purpose, strategy and culture, decision making, board effectiveness, governance, communication and disclosure, and Chair effectiveness. Directors' frank and honest views were invited on the current position and their suggestions for future development. Responses were collated, anonymised and presented to the Board for discussion by the Company Secretary. The Board concluded that it was operating effectively. It agreed that it would focus in 2025 on enhancing stakeholder engagement, investor communication, director training and scenario planning for the Company.

An independent Board evaluation will be performed at the end of 2025.

Nominations and Governance Committee

The Committee is chaired by Simon Turner. Rachel English and Frédéric Vuilleumier are members.

The principal responsibilities of the Committee are set out below:

- Review of the structure, size and composition the Board, including the balance of skills, knowledge and experience of Directors and ensuring that they remain appropriate, for both its executive and non-executive Directors and other senior executives.
- Overseeing the Board's succession planning requirements including the identification and assessment of potential Board candidates and making recommendations to the Board for its approval.
- Reviewing the Company's corporate governance framework.
- Assisting the Board with periodic review of the provisions of the QCA Code in order to ensure Board effectiveness against the Code's provisions.

Due to the size of the Company, it is anticipated that the succession of some senior executives will be sourced externally. The length of the notice periods aims to mitigate this risk.

Audit and Risk Committee

The Audit and Risk Committee is chaired by Rachel English. The other members of the Committee during the year were Stephen Buckland and Frédéric Vuilleumier (up to 6 September 2024) and thereafter by Alec Hayley and Alison McFadyen.

The principal responsibilities of the Committee are set out below and were undertaken during the year:

- Monitor the effectiveness of the Group's risk management practices.
- Review the effectiveness of the Group's internal control system. The Committee reviews the effectiveness of internal audit activities carried out by the Group's accounting function and senior management.
- Review and monitor the financial statements of the Company and the audit of those statements and monitor compliance with relevant financial reporting requirements and legislation.
- Monitor the effectiveness and independence of the external auditor.
- Review any non-audit services provided by the external auditor.

The ARC assesses whether suitable accounting policies have been adopted and whether management has made appropriate estimates and judgements.

Ensuring the integrity of the financial statements and associated announcements is a fundamental responsibility of the ARC. During the year it formally reviewed the Group's interim and annual reports. These reviews considered:

- The description of performance in the Annual Report to ensure it was fair, balanced and understandable and that it provides the information necessary for shareholders to assess the Company's performance, business model and strategy.
- The accounting principles, policies and practices adopted in the Group's financial statements, any proposed changes to them, and the adequacy of their disclosure.
- Important accounting issues or areas of complexity, the actions, estimates and judgements of management in relation to financial reporting and in particular the assumptions underlying the going concern statement.
- Any significant adjustments to financial reporting arising from the audit.
- Tax contingencies and compliance with statutory tax obligations.

A key responsibility of the ARC is to consider the significant areas of complexity, management judgement and estimation that have been applied in the preparation of the financial statements. The Committee, with support from Deloitte LLP (Deloitte) as external auditor, reviewed the suitability of the accounting policies adopted and whether management made appropriate estimates and judgements. Set out below are the significant areas of accounting judgement or management estimation and a description of how the Committee concluded that such judgements and estimates were appropriate.

Pensions

The valuation of the pension schemes obligations is conducted by independent actuaries and due to the size of the obligation a relatively minor change to the assumptions made could result in a material change in the quantum of the obligation. The Committee considered the competence of the actuaries and the key assumptions adopted and concluded that the work performed is sufficient to support the valuation.

Following the ruling on the Virgin Media case, despite any legal requirement to perform a review, the Committee requested management to sample historic changes in the trust deed to assess whether the actuarial confirmation under Regulation 42 of the Occupational Pension Schemes (Opting Out) Regulations 1996 (“Reg 42 Confirmations”) had been given. Out of the 15 deeds reviewed, 3 deeds contained the confirmations or referenced the confirmation having been obtained and 7 did not require Ref 42 confirmations. The remaining 5 deeds relate to restating the relevant schemes rules which would require considerable effort to review. Bearing in mind the uncertainty of future legislation the Committee is satisfied that adequate work has been undertaken and, no provision is required.

Carrying value of intangible assets

The Group’s carrying values of the JING Tea and Tea City brands and of the goodwill relating to two Assam estates were discussed in light of the expected trading of those businesses. The Committee considered the fair value of the Group’s holdings and whether any impairment in the carrying value had occurred and agreed that no impairment was required.

Carrying value of tangible assets

The Committee considered the fair value of the Group’s investment property portfolio, the carrying value of plant and equipment at the engineering subsidiary, and the carrying value of certain of the Indian and Bangladesh estates in the context of recent trading and third-party valuations. The Committee agreed that the proposed impairment to the carrying value of certain UK properties was valid and that no other impairments were required.

Provisions

The bases of provisions for material uncertain tax situations were considered by the Committee. The Committee is satisfied that the provisions represent best estimates of the likely liabilities. Consideration was given to various potential tax exposures in Bangladesh, Malawi and Kenya. In light of the relevant circumstances the Committee is satisfied that these should be disclosed as contingent liabilities.

Hyperinflation in Malawi

The Committee reviewed the inflationary situation in Malawi and concluded that Eastern Produce’s financial results should be prepared under IAS29. The impact of this is disclosed in the accounting policy note to the accounts.

External auditor

To assess the effectiveness of the external audit process, the external auditor is required to report to the ARC and confirm their independence in accordance with ethical standards and that they had maintained appropriate internal safeguards to ensure their independence and objectivity. In addition to the steps taken by the Board to safeguard the auditor’s objectivity, Deloitte operates a five-year rotation policy for audit partners for a listed entity.

The Committee reviewed the independence of the external auditors using the QCA guidance and is comfortable that the auditor is independent.

Due to the required re-tendering of the Goodricke audit for 2026, the Company will be re-tendering the Group audit during 2025 in order to be prepared to transition if required in time for the 2026 audit. The Group's current audit partner, Makhan Chahal, is due to be replaced for the 2025 audit under Deloitte's partner rotation rule. The ARC Committee have considered the additional procedures to be put in place by Deloitte and concluded that it would be preferable for Makhan Chahal to continue as engagement partner for the 2025 audit.

Remuneration Committee

The Committee is chaired by Alison McFadyen and the other member is Frédéric Vuilleumier. The other members of the Committee during the year were Rachel English, who was the previous Chair, and Simon Turner.

The responsibilities of the Committee include:

- The review of the Company's policy relating to remuneration of the Chairman, Executive Directors and the Company Secretary.
- To determine the terms of employment and remuneration of the Chairman, Executive Directors and Company Secretary with a view to ensuring that those individuals are fairly and responsibly rewarded.
- To approve compensation packages or arrangements following the severance of any Executive Director's service contract.

The Remuneration Report can be found on pages 48 to 49.

Sustainability and Safeguarding Committee

The Sustainability and Safeguarding Committee is responsible for promoting the adoption of high standards of sustainable operations and safeguarding practices. Given the importance of the Group's activities in these areas, the Board changed its role from an advisory committee to a Board Committee. The Committee is chaired by Rachel English and the other members are Simon Turner and Alison McFadyen.

The Committee supports and challenges the vision, strategy, and progress of the Group within the context of alignment with the Company's five strategic sustainability pillars. These are Environment, Climate Change & Emissions, Good Employment, Human Rights and Social Sustainability. The terms of reference are currently under review to ensure alignment with the GPPs (currently under review) and the Company's corporate governance framework.

Board and Board Committee attendance

Attendance by Directors at Board and Committee meetings held during the year was as follows:

Director	*Board**	*Audit**	*Remuneration**	*Nomination**	*SSC* &***
Simon Turner	9/9		2/2	3/3	2/2
Byron Coombs	9/9				
Oliver Capon	5/5				
Graham Mclean	8/9				
Susan Walker	4/4				
Alison McFadyen	4/5	1/1	1/1		1/1
Stephen Buckland	9/9	4/4			
Rachel English	9/9	5/5	2/2	3/3	2/2
Alec Hayley	5/5	1/1			
Frédéric Vuilleumier	9/9	4/4	3/3	3/3	

* Susan Walker's attendance reflects the period up to 6 June 2024; Oliver Capon's attendance reflects the period from 6 June 2024; and Alec Hayley and Alison McFadyen's attendances reflect the period from 1 July 2024.

** The SSC was formally established at a meeting held at the end of June 2024, with a further meeting held in September. The December meeting was postponed and held in early 2025.

Internal controls and risk management systems

The Directors acknowledge that they are responsible for maintaining a sound system of internal controls. During the year, the Audit and Risk Committee, on behalf of the Board, reviewed the effectiveness of the system of internal controls, the principal features of which are described below.

The key management philosophy of the Company is that the responsibility for day-to-day operations resides with operating company management at an operational level. Accountability and delegation of authority are clearly defined. Key operating companies have internal audit functions reporting to their respective audit committees. The performance of each operating company is monitored by its board of directors.

Group principal policies

Camellia's business philosophy is based on an approach which provides the operating companies with a high degree of operational autonomy. This is founded on a belief that the management teams of the individual operating companies have better local insight and expertise which positions them to make the best decisions with respect to operational matters, employees, local communities and the environment. So that Camellia can have confidence that this operational autonomy is being exercised consistent with its expectations of legal and ethical compliance, those expectations are set out within the Group Principal Policies (GPPs), which detail the principles and commitments that Camellia expects of its operating companies in key areas such as human rights, anti-bribery and corruption, environmental, certification and traceability, employee welfare, health and safety and whistleblowing.

Responsibility for achieving legal and ethical compliance consistent with the GPPs (as well as local laws and regulations) lies with the leadership of the respective operating companies, who are responsible for developing local policies and procedures that support the welfare of the communities and the environments in which they operate. These entities are best positioned to identify relevant needs and implement processes that allow them to operate legally, responsibly, and ethically over the long term. This approach facilitates the adoption of the principles among the operating companies as appropriate to their local jurisdictions and culture.

A comprehensive review of the GPPs is currently underway to ensure that they reflect best practice, legal and regulatory requirements, and environmental, social and governance matters. This review is expected to be completed in 2025.

Types of GPP

Certain GPPs, the compliance GPPs, contain provisions which are expected to be observed by operating companies in order for Camellia to comply with its legal and regulatory obligations. These include Anti-Bribery and Corruption, Whistleblowing, the Modern Slavery Statement and the Tax Principles.

The high-level GPPs comprise of Certification and Traceability, Health and Safety, Environmental, Employee Welfare and Human Rights. A summary of each GPP is set out below, with further information available on the Company's website.

Certification and traceability

As part of the end-to-end supply chain management, operating companies must meet the requirements of their customers and suppliers in terms of certification and traceability. Most tea operations are Rainforest Alliance certified, and all macadamia and avocado processing facilities are FSSC 22000 certified. Many operating companies have obtained ISO14001, ISO9001 and ISO45001 and many other appropriate accreditations, such as Spring (Global G.A.P.) at Kakuzi.

Health and safety

Operating companies are responsible for promoting good health and providing a safe and healthy workplace to protect all employees, contractors, visitors and the public from foreseeable work hazards. Operating companies should comply with health and safety legislation and regulations where they operate and obtain the necessary certifications from external authorities.

Environmental

Camellia is mindful of minimising the impact on the environment. Operating companies aim to be responsible custodians of the environment, working to improve the resilience of estates and farmers to climate change, reduce emissions and ensure sustainable water usage.

Employee welfare

Employees are at the heart of global activities and their safety and welfare are paramount. Operating companies have policies and procedures in place (as appropriate) which cover fair treatment, equality, diversity, grievance and disciplinary, harassment, health, personal development, training, education, housing and sanitation. Equality in management positions is consciously encouraged across the Group. Operating companies should comply with applicable regulations to encourage employees with disabilities to work and, where necessary, make appropriate adjustments to working practices.

Human rights

Camellia and operating companies strive to protect and respect human rights and provide access to remedy where required. This includes protecting and respecting the dignity, well-being and human rights of operating company employees, their communities and those with whom operating companies have relationships or who may be impacted by their activities. Camellia and operating companies are committed to upholding internationally recognised human rights in line with the principles and guidance contained in the UN Guiding Principles on Business and Human Rights, including those set out in the International Bill of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

Anti-bribery and corruption

The Company has adopted an anti-bribery policy which complies with the requirements of the UK Bribery Act 2010. All operating company employees, officers and executives, and all those acting for or on behalf of an operating company are strictly prohibited from offering, paying, soliciting or accepting bribes or kickbacks, including facilitation payments. Compliance with the anti-bribery policy is monitored by individual operating companies and incidents are reported to the applicable anti-bribery officer and escalated where appropriate.

Whistleblowing

Speaking up and reporting where there are concerns about wrongdoing or misconduct in activities is valued. In keeping with the culture of integrity, fairness and accountability, the whistleblowing policy provides guidance for people who feel they need to raise genuine concerns. This includes if encountering any actual or suspected breaches of policies, procedures and standards or anything inappropriate, dishonest, illegal or dangerous, and ensures that concerns will be heard and handled confidentially.

Modern slavery

Consistent with Camellia's long-standing commitment to maintaining high legal and ethical standards, slavery, human trafficking or forced labour in any form is prohibited in its global operating companies. Child labour is prohibited across the Group. A copy of the statement for the year ended 31 December 2024 is available on the Company's website.

Tax principles

The tax principles include compliance with applicable tax laws, payment of the correct tax amounts, interpretation of tax law, undertaking tax planning based on commercial rationale and transparency in relation to information provided to tax authorities.

The Board has adopted an anti-facilitation of tax evasion policy in accordance with the UK Criminal Finances Act 2017.

REPORT OF THE DIRECTORS

The Directors present their report together with the audited consolidated accounts for the year ended 31 December 2024.

Principal activities

The Company is a public company limited by shares, which is quoted on the AIM Market of the London Stock Exchange and incorporated and domiciled in England and Wales. The principal activity of Camellia Plc is a holding company and the principal activities of its operating companies are set out in Camellia at a Glance on page 2.

Fostering business relationships is of paramount importance to the Directors, as set out in the s172 Statement on page 35 of the Strategic Report. Further details of the Group's activities are included in the Strategic Review, the Chairman's Statement and CEO's Statement.

Results and dividends

The loss after tax for the year amounted to £5.3 million (2023: Loss after tax £1.4 million). The Board is proposing a final dividend for the year 2024 of 260p per share payable on 31 July 2025 to holders of the ordinary shares registered at the close of business on 3 July 2025. Therefore, the total dividend payable for 2024 is 260p per share (2023: 44p per share). Details are shown in note 15 to the Accounts.

Substantial shareholdings

As at 15 April 2025 the Company has been advised of the following interests in its share capital:

Shareholder	*No. of Shares*	*% of total voting rights*
Camellia Holding AG	1,427,000	51.9
Nokia Bell Pensioenfonds OFP	374,093	13.6

Share capital and purchase of own shares

The Company's share capital comprises one class of ordinary shares of 10p per share which carry no restrictions on the transfer of shares or on voting rights (other than as set out in the Company's articles of association). There are no agreements known to the Company between shareholders in the Company which may result in restrictions on the transfer of shares or on voting rights in relation to the Company. Details of the issued share capital are contained in note 41 to the Accounts.

At the AGM in 2024, shareholders gave authority for the Company to purchase up to 276,200 of its own shares. This authority expires at the conclusion of the 2025 AGM at which a resolution proposing renewal of the authority will be submitted to shareholders. An on-market share buyback was announced on 6 December 2024 for the purchase of up to 138,100 shares.

AGM

The AGM of Camellia Plc will be held at The Rubens at the Palace Hotel, 39 Buckingham Palace Road, London SW1W 0PS on 5 June 2025 at 11.30 a.m. The Notice of Meeting together with explanatory notes and the Form of Proxy accompanies the Annual Report and Accounts.

Auditor

A resolution proposing the reappointment of Deloitte LLP will be put to the 2025 AGM.

Each of the persons who were Directors at the time when this Report of the Directors was approved has confirmed that:

- So far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware.
- Each Director has taken all the steps that ought to have been taken as a Director, including making appropriate enquiries of fellow Directors and of the Company's auditor for that purpose, in order to be aware of any information needed by the Company's auditor in connection with preparing their report and to establish that the Company's auditor is aware of that information.

Climate, energy and carbon disclosure

In compliance with the SECR and CFD requirements, our greenhouse gas emissions, energy consumption and energy reduction initiatives are reported within the Environment Report on pages 29 to 32.

Employees and stakeholders

The Directors have had regard to the need to foster the Company's business relationships with employees, suppliers, customers and others, and the effect of that regard, including on the principal decisions taken by the Company during the financial year. Details in relation to employees and stakeholders are set out in the Section 172 Statement (page 35) and on pages 33 to 34.

Research and development

The Group invests in research and development projects within its operations in order to improve efficiency, productivity and grow revenues. In Kenya, Malawi and India, technical departments in conjunction with specialised departmental teams are focused on numerous projects to improve operational efficiencies (both field and factory), including pest and disease control, improving energy efficiencies and the implementation of new technologies to enhance automation.

We continue to collaborate with various organisations involved in a range of areas relevant to future business strategy.

Kenya is running a commercial blueberry trial to evaluate the viability of different varieties. In Brazil, research and development is ongoing into water saving irrigation systems, satellite imaging to identify climate impact and plant nutrient requirements and the use of drones to apply integrated pest management measures, amongst other uses. These initiatives will further support the implementation of precision farming technologies.

Future development

Details of future developments are set out in the Chief Executive's Statement and the Strategic Report and will be communicated as part of the investor communication during May 2025.

Financial risk management

Information on the Group's financial risk management objectives and policies and on the exposure of the Group to relevant risks in respect of financial instruments is set out in note 44 of the Accounts.

Political donations

The Company has no political affiliations and does not make political donations. Its operations work with governments and other parties around the world on issues that are important to our customers, stakeholders, communities and to the interests of the business.

Approved by the Board

Byron Coombs
Chief Executive
29 April 2025

REMUNERATION REPORT

This report is drawn up in accordance with the Companies Act 2006 and the AIM Rules for Companies.

Remuneration Committee

Details of the Remuneration Committee are set out on page 43.

Policy on Directors' remuneration

The policy agreed by the Committee is as follows:

- To seek to provide remuneration packages that will attract, retain and motivate the right people for the roles.
- So far as is practicable to align the interests of the executives with those of shareholders.
- To reflect the overriding remuneration philosophy and the principles of the wider Group.

In implementing the second point, the Company does not operate profit-related bonus, share option or share incentive schemes for Directors as the Group's activities are based largely on agriculture, which is highly dependent on factors outside management control such as the weather and market prices.

The policy is designed to ensure that the Directors manage the Group's businesses for the long-term in line with the strategy of the Group.

In determining this remuneration policy and the remuneration of Directors, consideration has been given to the relevant provisions of the QCA Guidelines.

The remuneration policy was approved by shareholders at the 2023 AGM and applies for a period of three years. The remuneration policy shall be reconsidered for shareholder approval at the AGM in 2026. The Committee considers any views expressed by shareholders on Directors' remuneration.

At the AGM on 6 June 2024, the Remuneration Report for the year to 31 December 2023 was approved by shareholders with 99.11% of the votes cast in favour, 0.89% of the votes cast against and 707 votes withheld.

Service contracts

Byron Coombs, Graham Mclean and Oliver Capon are each employed on rolling service contracts.

Director	*Date of Service Contract*
Byron Coombs	16 July 2023
Graham Mclean	10 April 2015
Oliver Capon	6 June 2024

The service contracts are terminable at any time by a one-year period of notice from the Company or the Director. Following their initial appointment non-executive Directors may seek re-election by shareholders at each subsequent Annual General Meeting. Non-executive Directors do not have service agreements. The Company has in place appropriate director's and officers' liability insurance cover, including cover in respect of legal action against its executive and non-executive Directors.

There are no specific contractual provisions for compensation upon early termination of a non-executive Director's employment.

The following sections on Directors' remuneration and pensions have been audited.

Directors' remuneration

	Remuneration		Benefits in Kind		Loss of Office		Total	
	2024	*2023*	2024	*2023*	2024	*2023*	2024	*2023*
	£	*£*	£	*£*	£	*£*	£	*£*
Executive								
Byron Coombs	681,578	*178,162*	34,654	*7,450*	–	–	716,232	*185,612*
Oliver Capon	292,086	–	16,010	–	–	–	308,096	–
Graham Mclean	497,636	*483,141*	29,281	*30,170*	–	–	526,917	*513,311*
Susan Walker	219,085	*449,117*	10,697	*29,140*	–	–	229,782	*478,257*
Malcolm Perkins	–	*554,831*	–	*34,690*	–	*54,753*	–	*644,274*
Non-executive								
Simon Turner	276,550	*65,678*	4,964	*400*	–	–	281,514	*66,078*
Alison McFadyen	28,271	–	–	–	–	–	28,271	–
Stephen Buckland	113,300	*61,612*	–	–	–	–	113,300	*61,612*
Rachel English	92,654	*91,675*	–	–	–	–	92,654	*91,675*
Alec Hayley	26,650	–	–	–	–	–	26,650	–
Frédéric Vuilleumier	57,935	*56,240*	–	–	–	–	57,935	*56,240*
Total	2,285,745	*1,940,456*	95,606	*101,850*	–	*54,753*	2,381,351	*2,097,059*

Notes

(i) The executive Directors' benefits in kind include the value attributed to medical insurance, permanent health insurance, spouse/partner travel and cash alternatives to company cars and medical insurance.

(ii) Included in remuneration is a travel allowance which includes per diem allowance for overseas travel and additional travel expenses where appropriate.

(iii) Oliver Capon's remuneration relates to the period from 6 June 2024.

(iv) Susan Walker's remuneration relates to the period until 6 June 2024.

(v) Stephen Buckland received an additional fee for the role of non-executive director and chairman of Goodricke Group Limited.

(vi) Alec Hayley and Alison McFadyen's fees relate to the period from 1 July 2024.

(vii) Malcolm Perkins retired from the Board on 30 November 2023 and received a payment of £54,753 for loss of office. This included a payment in lieu of notice and benefits in kind.

Directors' pensions

The remuneration above for Byron Coombs, Graham Mclean, Oliver Capon and Susan Walker contains an excess non-pensionable salary supplement equivalent to 10% of base salary.

Approved by the Board

Alison McFadyen
Chair of the Remuneration Committee

29 April 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and Accounts in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements in accordance with United Kingdom adopted international accounting standards, in conformity with the requirements of the Companies Act 2006. The financial statements also comply with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board.

The Directors have also chosen to prepare the parent company financial statements under United Kingdom adopted international accounting standards. Under Company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, International Accounting Standard 1 requires that Directors:

- Properly select and apply accounting policies.
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information.
- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.
- Make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

We confirm that to the best of our knowledge:

- The financial statements, prepared in accordance with IFRSs, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole.
- The Strategic Report includes a fair review of the development and performance of the business and the position of the Company, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.
- The Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

This responsibility statement was approved by the Board of Directors on 29 April 2025.

Simon Turner
Chairman

29 April 2025

CONSOLIDATED INCOME STATEMENT

for the year ended 31 December 2024

	Notes	2024 £'m	*2023 £'m Restated*
Continuing operations			
Revenue	2	262.2	*254.2*
Cost of sales		(213.2)	*(205.3)*
Gross profit		49.0	*48.9*
Other operating income		2.4	*2.7*
Distribution costs		(17.6)	*(20.1)*
Administrative expenses		(39.3)	*(41.8)*
Trading loss	1,3	(5.5)	*(10.3)*
Share of associates' results	5	0.2	*3.4*
Loss on disposal of associates	6	(4.7)	–
Profit on disposal of assets classified as held for sale	7	11.5	*2.1*
Profit on disposal of property and heritage assets	8	1.0	–
Impairments of intangible assets and investment properties	9	(0.8)	*(1.6)*
Reversal of impairment of investment in associate		–	*19.0*
Other gains and losses	10	0.2	–
Profit on disposal and fair value movements on money market investments		0.3	*0.3*
Operating profit		2.2	*12.9*
Investment income		2.8	*2.9*
Finance income	11	2.5	*2.2*
Finance costs	11	(3.5)	*(2.8)*
Net exchange (loss)/gain	11	(3.3)	*3.4*
Employee benefit expense	11	(0.7)	*(0.4)*
Net finance (cost)/income	11	(5.0)	*2.4*
Profit before tax		–	*18.2*
Taxation	12	(4.7)	*(5.2)*
(Loss)/profit for the year from continuing operations		(4.7)	*13.0*
Discontinued operations			
Loss for the year from discontinued operations	13	(0.6)	*(14.4)*
Loss after tax		(5.3)	*(1.4)*
(Loss)/profit attributable to:			
Owners of Camellia Plc		(4.9)	*(3.7)*
Non-controlling interests		(0.4)	*2.3*
		(5.3)	*(1.4)*
(Loss)/earnings per share - basic and diluted			
From continuing operations	16	(155.7) p	*387.4 p*
From continuing and discontinued operations	16	(177.4) p	*(134.0) p*

Note

Prior period comparatives have been restated following the reclassification of Bardsley as a discontinued operation.

CAMELLIA PLC

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2024

	Notes	2024 £'m	*2023 £'m Restated*
Group			
Loss for the year		(5.3)	*(1.4)*
Other comprehensive income/(expense):			
Items that will not be reclassified subsequently to profit or loss:			
Financial assets at fair value through other comprehensive income:			
Fair value adjustment for the financial assets disposed		–	*(0.2)*
Unwind of deferred tax on financial assets		0.2	*(0.5)*
Changes in the fair value of financial assets	26	(2.3)	*5.1*
Remeasurements of post employment benefit obligations	40	2.2	*(3.9)*
Deferred tax movement in relation to post employment benefit obligations	39	(0.3)	*0.2*
		(0.2)	*0.7*
Items that may be reclassified subsequently to profit or loss:			
Foreign exchange translation differences		6.6	*(43.2)*
Reclassification to income statement on disposal of associates		(5.9)	*–*
Share of other comprehensive income of associates		–	*(0.1)*
		0.7	*(43.3)*
Other comprehensive income/(expense) for the year, net of tax		0.5	*(42.6)*
Total comprehensive expense for the year		(4.8)	*(44.0)*
Total comprehensive (expense)/income attributable to:			
Owners of Camellia Plc		(9.1)	*(35.3)*
Non-controlling interests		4.3	*(8.7)*
		(4.8)	*(44.0)*
Company			
Profit for the year	14	0.6	*4.5*
Total comprehensive income for the year		0.6	*4.5*

Note

Prior period comparatives have been restated following the reclassification of Bardsley as a discontinued operation.

CONSOLIDATED BALANCE SHEET

at 31 December 2024

	Notes	31 December 2024 £'m	*31 December 2023 £'m Restated*
ASSETS			
Non-current assets			
Intangible assets	19	4.8	*4.7*
Property, plant and equipment	20	146.6	*151.8*
Right-of-use assets	21	12.6	*12.5*
Investment properties	22	13.9	*23.3*
Biological assets	23	15.2	*11.2*
Investments in associates	25	–	*10.4*
Equity investments at fair value through other comprehensive income	26	30.4	*30.6*
Money market investments at fair value through profit or loss	27	4.3	*6.5*
Other investments - heritage assets	30	7.3	*7.5*
Trade and other receivables	32	2.2	*2.7*
Total non-current assets		237.3	*261.2*
Current assets			
Inventories	31	46.9	*49.4*
Biological assets	23	7.8	*8.8*
Trade and other receivables	32	38.5	*48.2*
Money market investments at fair value through profit or loss	27	0.5	*–*
Debt investments at amortised cost	28	–	*1.0*
Treasury deposits at amortised cost	29	39.9	*–*
Current income tax assets		0.5	*0.9*
Cash and cash equivalents (excluding bank overdrafts)	33	98.7	*47.9*
		232.8	*156.2*
Assets classified as held for sale	34	6.2	*82.3*
Total current assets		239.0	*238.5*
LIABILITIES			
Current liabilities			
Financial liabilities - borrowings	36	(15.6)	*(18.6)*
Lease liabilities	37	(0.6)	*(2.2)*
Trade and other payables	35	(55.3)	*(52.2)*
Current income tax liabilities		(1.4)	*(1.6)*
Employee benefit obligations	40	(0.4)	*(1.6)*
Provisions	38	(7.5)	*(7.6)*
		(80.8)	*(83.8)*
Liabilities related to assets classified as held for sale	34	–	*(2.1)*
Total current liabilities		(80.8)	*(85.9)*
Net current assets		158.2	*152.6*
Total assets less current liabilities		395.5	*413.8*
Non-current liabilities			
Financial liabilities - borrowings	36	(3.1)	*(3.3)*
Lease liabilities	37	(7.6)	*(9.1)*
Deferred tax liabilities	39	(28.0)	*(28.4)*
Employee benefit obligations	40	(9.1)	*(9.7)*
Total non-current liabilities		(47.8)	*(50.5)*
Net assets		347.7	*363.3*
EQUITY			
Called up share capital	41	0.3	*0.3*
Share premium		15.3	*15.3*
Reserves		292.9	*310.2*
Equity attributable to owners of Camellia Plc		308.5	*325.8*
Non-controlling interests		39.2	*37.5*
Total equity		347.7	*363.3*

COMPANY BALANCE SHEET

at 31 December 2024

	Notes	2024 £'m	*2023 £'m*
ASSETS			
Non-current assets			
Investments in subsidiaries	24	73.5	*73.5*
Other investments - heritage assets	30	7.4	*7.6*
Total non-current assets		80.9	*81.1*
Current assets			
Trade and other receivables	32	0.4	*3.1*
Current income tax asset		0.1	*0.1*
Amounts due from group undertakings		2.1	*2.2*
Cash and cash equivalents	33	0.4	*0.1*
		3.0	*5.5*
Assets classified as held for sale	34	0.2	*0.9*
Total current assets		3.2	*6.4*
LIABILITIES			
Current liabilities			
Trade and other payables	35	(9.6)	*(1.3)*
Amounts due to group undertakings		(18.5)	*(21.9)*
Total current liabilities		(28.1)	*(23.2)*
Net current liabilities		(24.9)	*(16.8)*
Total assets less current liabilities		56.0	*64.3*
Net assets		56.0	*64.3*
EQUITY			
Called up share capital	41	0.3	*0.3*
Share premium		15.3	*15.3*
Reserves		40.4	*48.7*
Total equity		56.0	*64.3*

The profit for the company is shown in note 14.

The notes on pages 58 to 125 form part of the financial statements.

The financial statements on pages 51 to 125 were approved on 29 April 2025 by the board of Directors and signed on their behalf by:

Byron Coombs
Chief Executive

Registered Number 00029559

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2024

	Notes	2024 £'m	*2023 £'m Restated*
Cash generated from/(used in) operations			
Cash flows from operating activities	42	4.7	*(10.3)*
Interest received		2.5	*2.2*
Interest paid		(3.5)	*(1.7)*
Income taxes paid		(5.9)	*(7.0)*
Contribution to defined benefit pension plan		(1.0)	–
Cash received from discontinued operation		6.5	–
Net cash generated from/(used) by operating activities		3.3	*(16.8)*
Net cash (used by)/generated from discontinued operations		(5.9)	*1.9*
Net cash flow used by operations		(2.6)	*(14.9)*
Cash flows from investing activities			
Purchase of intangible assets		(0.1)	–
Purchase of property, plant and equipment		(9.4)	*(10.7)*
Proceeds from sale of non-current assets		4.2	*1.2*
Proceeds from sale of assets held for sale		82.2	*0.3*
Proceeds from the sale of associates		7.9	–
Biological assets: non-current - disposals		0.2	*0.9*
Proceeds from disposal of subsidiary		–	*16.6*
Dividends received from associates		0.3	*1.0*
Acquisition of non-controlling interest		(0.3)	–
Purchase of investments		(41.8)	*(6.1)*
Proceeds from sale of investments		5.7	*4.1*
Income from investments		2.8	*2.9*
Net cash generated from investing activities		51.7	*10.2*
Net cash generated from/(used by) investing activities - discontinued operations		6.3	*(0.2)*
Net cash flow from investing activities		58.0	*10.0*
Cash flows from financing activities			
Equity dividends paid		–	*(4.0)*
Purchase of own shares		(0.2)	–
Dividends paid to non-controlling interests		(3.0)	*(2.6)*
New loans	43	0.9	*4.8*
Loans repaid	43	(4.8)	*(2.0)*
Payments of lease liabilities	43	(0.6)	*(0.4)*
Net cash flow from financing activities		(7.7)	*(4.2)*
Net cash from financing activities - discontinued operations		(1.3)	*(1.7)*
Net cash flow from financing activities		(9.0)	*(5.9)*
Impact of hyperinflation		(0.5)	–
Net increase/(decrease) in cash and cash equivalents from continuing operations		46.8	*(10.8)*
Net cash outflow from discontinued operation	13	(0.9)	–
Cash and cash equivalents at beginning of period - continuing		32.8	*44.5*
Cash and cash equivalents at beginning of period - discontinued		1.1	*1.1*
Exchange gains/(losses) on cash		4.0	*(0.9)*
Cash and cash equivalents at end of period - continuing		83.6	*32.8*
Cash and cash equivalents at end of period - discontinued		0.2	*1.1*
Cash and cash equivalents at end of period - total	33	83.8	*33.9*

For the purposes of the cash flow statement, cash and cash equivalents are included net of overdrafts repayable on demand.

Note

Prior period comparatives have been restated following the reclassification of Bardsley as a discontinued operation.

COMPANY CASH FLOW STATEMENT

for the year ended 31 December 2024

	Notes	2024 £'m	*2023 £'m*
Cash generated from operations			
Profit before tax		0.6	*4.3*
Adjustments for:			
Interest income		(0.3)	*(0.3)*
Profit on disposal of assets held for sale		(0.5)	*(2.1)*
Profit on disposal of heritage assets		(0.1)	*–*
Dividends from group companies		(2.0)	*(4.0)*
Decrease in trade and other receivables		3.0	*0.2*
Decrease in trade and other payables		(0.4)	*–*
Net movement in intra-group balances		(3.3)	*1.4*
Cash used in operations		(3.0)	*(0.5)*
Interest received		0.3	*0.3*
Net cash flow from operating activities		(2.7)	*(0.2)*
Cash flows from investing activities			
Proceeds from sale of assets held for sale		1.1	*0.3*
Proceeds from sale of heritage assets		0.1	*–*
Dividends received		2.0	*4.0*
Net cash flow from investing activities		3.2	*4.3*
Cash flows from financing activities			
Equity dividends paid		–	*(4.1)*
Purchase of own shares		(0.2)	*–*
Net cash flow from financing activities		(0.2)	*(4.1)*
Net movement in cash and cash equivalents		0.3	*–*
Cash and cash equivalents at beginning of year	33	0.1	*0.1*
Cash and cash equivalents at end of year	33	0.4	*0.1*

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2024

	Notes	Share capital £'m	Share premium £'m	Treasury shares £'m	Retained earnings £'m	Other reserves £'m	Total £'m	Non-controlling interests £'m	Total equity £'m
Group									
At 1 January 2023		0.3	15.3	(0.4)	348.1	1.7	365.0	48.8	413.8
Loss for the year		–	–	–	(3.7)	–	(3.7)	2.3	(1.4)
Other comprehensive (expense)/income for the year		–	–	–	(4.1)	(27.5)	(31.6)	(11.0)	(42.6)
Transfer of realised gains on disposal of financial assets		–	–	–	0.4	(0.4)	–	–	–
Dividends	15	–	–	–	(4.0)	–	(4.0)	(2.6)	(6.6)
Share of associate's other equity movements		–	–	–	0.1	–	0.1	–	0.1
At 31 December 2023		0.3	15.3	(0.4)	336.8	(26.2)	325.8	37.5	363.3
Loss for the year		–	–	–	(4.9)	–	(4.9)	(0.4)	(5.3)
Other comprehensive expense for the year		–	–	–	(2.6)	(1.6)	(4.2)	4.7	0.5
Transfer of realised loss on disposal of financial assets		–	–	–	(0.1)	0.1	–	–	–
Dividends	15	–	–	–	–	–	–	(3.0)	(3.0)
Purchase of own shares	41	–	–	–	(8.9)	–	(8.9)	–	(8.9)
Acquisition of non-controlling interest	47	–	–	–	(0.3)	–	(0.3)	0.1	(0.2)
Translation of hyperinflationary results (see page 59)		–	–	–	–	1.0	1.0	0.3	1.3
At 31 December 2024		0.3	15.3	(0.4)	320.0	(26.7)	308.5	39.2	347.7
Company									
At 1 January 2023		0.3	15.3	–	36.2	12.1	63.9	–	63.9
Total comprehensive income for the year		–	–	–	4.5	–	4.5	–	4.5
Dividends	15	–	–	–	(4.1)	–	(4.1)	–	(4.1)
At 31 December 2023		0.3	15.3	–	36.6	12.1	64.3	–	64.3
Total comprehensive income for the year		–	–	–	0.6	–	0.6	–	0.6
Dividends	15	–	–	–	–	–	–	–	–
Purchase of own shares	41	–	–	–	(8.9)	–	(8.9)	–	(8.9)
At 31 December 2024		0.3	15.3	–	28.3	12.1	56.0	–	56.0

In relation to the reserves of the Company, £28.3 million (2023: £36.6 million) is distributable. Other reserves of the Company include capital redemption and revaluation reserves.

Other reserves of the Group include fair value reserves and net exchange differences of £72.2 million deficit (2023: £71.6 million deficit).

Group retained earnings includes £125.2 million (2023: £123.7 million) which would require exchange control permission for remittance as dividends.

ACCOUNTING POLICIES

Camellia Plc (the Company) is a public Company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The registered office can be found on page 4 and its principal activity is included in the Directors' report.

The material accounting policies applied in the preparation of these financial statements are set out below. It allows for an understanding as to how material transactions, other events and conditions are reported. It also describes: (a) judgements, apart from those involving estimations, that management makes in applying the policies that have the most significant effect on the amounts recognised in the Consolidated Financial Statements; and (b) estimations, including assumptions about the future, that management makes in applying the policies. The sources of estimation uncertainty that have a significant risk of a material adjustment to the carrying amounts of assets and liabilities within the next financial year are specifically identified as a significant estimate.

These policies have been consistently applied to all years presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements have been prepared in accordance with United Kingdom adopted International Financial Reporting Standards (IFRS), IFRS Interpretations Committee (IFRS IC) and the Companies Act 2006 applicable to companies reporting under IFRS. The consolidated financial statements comply with IFRS as issued by the International Standards Board (IASB).

The consolidated financial statements have been prepared on the historical cost basis as modified by the revaluation of biological assets, financial assets and financial liabilities, assets held for sale and employee benefit obligations.

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue to operate for the foreseeable future. They therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Subsidiaries are those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

On acquisition, the assets and liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (i.e. discount on acquisition) is credited to the income statement in the period of acquisition. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets. Any difference that arises from the acquisition of additional shares of an already consolidated subsidiary is taken directly to equity.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated Income Statement from the effective date of acquisition or disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group.

All Intra-Group transactions, balances, income and expenses are eliminated on consolidation.

Associates
An associate is an entity over which the Group is in a position to exercise significant influence, but not control or joint control, through participation in the financial and operating policy decisions of that entity.

Investments in associates are accounted for by the equity method of accounting. Under this method the Group's share of the post-acquisition profits or losses of associates is recognised in the Income Statement and its share of post-acquisition movements in reserves is recognised in reserves.

Foreign currency translation

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Translation differences on non-monetary items carried at fair value are reported as part of the fair value gain or loss. Gains and losses arising on retranslation are included in the income statement, except for exchange differences arising on non-monetary items where the changes in fair value are recognised directly in equity.

The consolidated financial statements are presented in sterling which is the Company's functional and presentation currency. On consolidation, income statements and cash flows of foreign entities are translated into pounds sterling at average exchange rates for the year and their balance sheets are translated at the exchange rates ruling at the balance sheet date, except for subsidiaries in hyperinflationary economies that are translated at the closing rate of exchange at the end of the period. Exchange differences arising from 1 January 2004 are recognised as a separate component of shareholders' equity. Exchange differences arising from the translation of the net investment in foreign entities are taken to equity. When a foreign entity is sold such exchange differences arising since 1 January 2004 are recognised in the Income Statement as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate ruling on the date of acquisition. The Group has elected to treat goodwill and fair value adjustments arising on acquisitions prior to 1 January 2004, the date of the Group's transition from UK GAAP to IFRS, as sterling denominated assets and liabilities.

Hyperinflation accounting

Malawi met the requirements to be designated as a hyperinflationary economy under IAS 29 'Financial Reporting in Hyperinflationary Economies' in the quarter ended 31 December 2024. The Group has therefore applied hyperinflationary accounting, as specified in IAS 29, to its Malawian operations whose functional currency is the Malawian Kwacha.

In accordance with IAS 21 'The Effects of Changes in Foreign Exchange Rates', comparative amounts have not been restated.

Malawian Kwacha denominated results and non-monetary asset and liability balances for the current financial year ended 31 December 2024 have been revalued to their present value before translation to GBP at the reporting date exchange rate of GBP£1:MWK2,171.735.

For the Group's operations in Malawi:

- The gain or loss on net monetary assets resulting from IAS 29 application is recognised in the consolidated income statement within other gains & losses
- The Group also presents the gain or loss on cash and cash equivalents as monetary items together with the effect of inflation on operating, investing and financing cash flows as one number in the consolidated statement of cash flows
- The Group has presented the IAS 29 opening balance adjustment to net assets within other reserves in equity. Subsequent IAS 29 equity restatement effects and the impact of currency movements are presented within other comprehensive income because such amounts are judged to meet the definition of 'exchange differences'

The inflation index in Malawi selected to reflect the change in purchasing power was the consumer price index (CPI) issued by the Malawi Reserve Bank and Malawi Statistics Office, which has risen by 28.1% to 216.1 (2023: 168.7) during the current financial year.

The main impacts of the aforementioned adjustments on the consolidated financial statements are shown below.

	Year ended 2024 Increase/ (decrease) £'m
Revenue	4.20
Operating profit	(0.60)
Profit before tax	(0.70)
Non-current assets*	–
Current assets	0.50
Non-current liabilities	0.10
Equity attributable to owners of Camellia Plc	1.00

* No increase has been realised in relation to non-current assets as the £14.1 million increase arising from hyperinflation was offset by a corresponding adjustment following an assessment by management of the fair value of these assets.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, value added tax and other sales related taxes and after eliminating intra-group sales.

Revenue from the sale of goods is recognised when the following five core principles of the model framework have been delivered:

- The identification of contract(s) with customers
- The identification of the performance obligations in the contract
- The determination of the transaction price
- The allocation of the transaction price to the performance obligations in the contract
- The recognition of revenue when (or as) a performance obligation has been satisfied

In respect of agricultural produce, revenue is recognised when the performance obligations have been satisfied, which is once control of the produce has transferred from the Group to the buyer. Revenue is measured based on the consideration specified in the contract with a customer and excludes amounts collected on behalf of third parties. Revenue related to the sale of produce is recognised when the product is delivered to the destination specified by the customer, which is typically the vessel on which it is shipped, the destination port or the customer's premises and the buyer has gained control through their ability to direct the use of and obtain substantially all the benefits from the asset.

In respect of engineering services, revenue is recognised at either the point in time that the customer has accepted return of the asset or control of the asset has been re-established and there is a present obligation to pay for services rendered or revenue is recognised based upon the stage of completion and includes costs incurred to date, plus accrued profits.

In respect of rental income, revenue is recognised on a straight-line basis over the lease term. Contingent rent, being lease payments that are based on the future amount of a factor that changes other than with the passage of time, is recognised when it is received or receivable.

Investment income

Investment income is recognised when the right to receive payment of a dividend is established.

Segmental reporting

IFRS 8 requires operating segments to be identified on the basis of internal reports used to assess performance and allocate resources by the chief operating decision maker. The chief operating decision maker has been identified as the Strategy Committee led by the CEO. Inter segment sales are not significant.

Exceptional items

Exceptional items are those significant items which are separately disclosed by virtue of their size or incidence to enable a full understanding of the Group's financial performance.

Intangible assets

(i) Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary or associate at the date of acquisition.

Goodwill is recognised as an asset and reviewed for impairment at least annually or more frequently if events or changes in circumstances indicate a potential impairment. Any impairment is recognised immediately in the income statement and is not subsequently reversed.

On disposal of a subsidiary or associate, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(ii) Identifiable intangible assets

Indefinite life identifiable intangible assets include certain brands acquired. They are not amortised but tested for impairment annually or more frequently if an impairment indicator is triggered, any impairment is charged to the income statement as it arises. The assessment of the classification of intangible assets as indefinite is reviewed annually.

Finite life identifiable intangible assets include certain brands, customer relationships and other intangible assets acquired on the acquisition of subsidiaries. Acquired intangible assets with finite lives are initially recognised at cost and amortised on a straight-line basis over their estimated useful lives, not exceeding 20 years. Intangible assets' estimated lives are re-evaluated annually and an impairment test is carried out if certain indicators of impairment exist.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

(iii) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Computer software licences are held at cost and are amortised on a straight-line basis over 3 to 7 years.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with identifiable and unique software products controlled by the Group and which are expected to generate economic benefits exceeding costs beyond one year, are recognised as an intangible asset and amortised over their estimated useful lives.

Property, plant and equipment

Property, plant and equipment includes biological assets (bearer plants) which are accounted for under IAS 16.

Land and buildings comprises mainly factories and offices. All property, plant and equipment is shown at cost less subsequent depreciation and impairment, except for land, which is shown at cost less impairment. Cost includes expenditure that is directly attributable to the acquisition of these assets.

On transition to IFRS, the Group followed the transitional provisions and elected that previous UK GAAP revaluations be treated as deemed cost. On the application of the amendments to IAS 41 Agriculture and IAS 16 Property, plant and equipment the Directors elected to state the Group's bearer plants at deemed cost being the fair value recognised as at 1 January 2015 less the fair value at that date of the growing produce which is disclosed in current assets under biological assets. Additions after that date are recognised at historical cost. Costs incurred in maintaining the bearer plants until the date of maturity are capitalised.

Subsequent costs are included in the assets' carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

No depreciation is provided on freehold land. Depreciation of other property, plant and equipment is calculated to write off their cost less residual value over their expected useful lives.

The rates of depreciation used for the other assets are as follows:-

Biological assets (Bearer plants)	20 to 50 years
Freehold and long leasehold buildings	nil to 50 years
Other short leasehold land and buildings	unexpired term of the lease
Plant, machinery, fixtures, fittings and equipment	3 to 25 years

No depreciation is provided on bearer plants until maturity when commercial levels of production have been reached.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is included in the Income Statement.

Right-of-use assets

The Group recognises right-of-use assets for land and buildings and plant and machinery at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use asset is depreciated over the shorter of its estimated useful life and lease term.

Investment properties

Properties held to earn rental income rather than for the purpose of the Group's principal activities are classified as Investment properties. Investment properties are recorded at cost less accumulated depreciation and any recognised impairment loss. The depreciation policy is consistent with those described for other Group properties.

Income from Investment properties is disclosed in 'Revenue'. The related operating costs are immaterial and are included within administrative expenses.

Biological assets: non-current

Biological assets are measured at each balance sheet date at fair value less costs to sell and are generally valued at each year end by independent professional valuers. Any changes in fair value are recognised in the Income Statement in the year in which they arise. Costs of new areas planted are included as "new planting additions" in the biological assets note. As timber is harvested the value accumulated to the date of harvest is treated as "decrease due to harvesting" and charged to cost of sales in the Income Statement.

Biological assets: current

Produce is valued on the basis of net present values of expected future cash flows and includes certain assumptions about future yields, selling prices, costs and discount rates. As the crop is harvested it is transferred to inventory at fair value less costs to sell.

Financial assets

Classification of financial assets

(i) Equity instruments designated as at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Group made an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI.

Investments in equity instruments designated as FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included as investment income in the consolidated income statement.

(ii) Financial assets at fair value through profit or loss '(FVTPL)'

Financial assets that do not meet the criteria for being measured FVTOCI or at amortised cost (see (i) above and (iii) below) are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship.

(iii) Amortised cost and effective interest method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

The effective interest method is a method of calculating the amortised cost and of allocating interest income over the relevant period. Interest income is recognised in profit or loss and is included in the "finance income – interest income" line item (note 11).

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost, lease receivables, trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased:

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating
- Significant deterioration in external market indicators of credit risk for a particular financial instrument
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations
- An actual or expected significant deterioration in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(i) The financial instrument has a low risk of default,

(ii) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and

(iii) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying any significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor; or
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that different default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) Significant financial difficulty of the issuer or the borrower;

(b) A breach of contract, such as a default or past due event (see (ii) above);

(c) The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

(d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

(e) A disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16 Leases.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in reserves, and does not reduce the carrying amount of the financial asset in the balance sheet.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Other investments – heritage assets

Other investments comprise fine art, documents, manuscripts and philately which are measured at cost as fair value cannot be reliably measured.

Investments in subsidiary companies

Investments in subsidiary companies are included at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the Directors when there has been an indication of potential impairment.

Impairment of non-financial assets

The Group has significant investments in intangible assets, property, plant and equipment, investment properties, biological assets, associated companies, financial assets and other investments. These assets are tested for impairment when circumstances indicate there may be a potential impairment. Goodwill and intangible assets with an indefinite useful life are tested for impairment at least annually. Factors considered which could trigger an impairment review include a significant fall in market values, significant underperformance relative to historical or projected future operating results, a major change in market conditions or negative cash flows.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

Inventories

Agricultural produce included within inventory largely comprises stock of 'black' tea. In accordance with IAS 41, on initial recognition, agricultural produce is required to be measured at fair value less estimated point of sale costs.

Other inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and selling expenses.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Discontinued operations and assets classified as held for sale

A discontinued operation is a separate major line of business or geographic area of operation that has either been disposed of, abandoned or is part of a plan to dispose of a major line of business or geographic area. An operation is classified as a discontinued operation in the year that the above criteria are met. In the consolidated Income Statement, profit/loss from discontinued operations is reported separately from the results from continuing operations. Prior periods Income Statement and cash flow are presented on a comparable basis.

Assets classified as held for sale are measured at the lower of the carrying amount and fair value less costs to sell.

Assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing bank loans and overdrafts are initially recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis to the Income Statement using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below £0.01 million). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than in a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related tax asset is realised or the tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Employee benefits

(i) Pension obligations

Group companies operate various pension schemes. The schemes are funded through payments to insurance companies or trustee-administered funds. The Group has both defined benefit and defined contribution plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate fund. The Group has no legal or constructive obligations to pay further contributions to the fund. Contributions are recognised as an expense in the Income Statement when they are due.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The pension cost for defined benefit schemes is assessed in accordance with the advice of qualified independent actuaries using the "projected unit" funding method.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. Independent actuaries calculate the obligation annually using the "projected unit" funding method. Actuarial gains and losses arising from experience adjustments and changes in actuarial adjustments are recognised in full in the period in which they occur, they are not recognised in the Income Statement and are presented in the Statement of Comprehensive Income.

Past service costs are recognised directly in the Income Statement.

(ii) Other post-employment benefit obligations

Some Group companies have unfunded obligations to pay terminal gratuities to employees. Provisions are made for the estimated liability for gratuities as a result of services rendered by employees up to the balance sheet date and any movement in the provision is recognised in the Income Statement.

The estimated monetary liability for employees' accrued annual leave entitlement and workers profit participation at the balance sheet date is recognised as an accrual.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when paid.

Critical accounting judgements and key sources of estimation uncertainty

In the view of the Directors, the following accounting judgements and estimations have been made in the process of applying the Group's accounting policies which have a significant effect on the amounts recognised in financial statements.

Critical judgements in applying the Group's accounting policies

The following are critical judgements not being judgements involving estimations (which are dealt with below) that the Directors have made in the process of applying the Group's accounting policies.

Significant judgement in relation to climate related risks

In preparing the Group's financial statements consideration has been given to the impact of both physical and transition climate-related risks. The policy, technology, and market changes in response to climate change are still developing, and consequently the financial statements cannot capture all possible future outcomes as these are not yet known. The climate-related estimates and assumptions were applied primarily to going concern, impairment of non-financial assets, property, plant and equipment (bearer plants) and indefinite life intangible assets. Management has concluded there to be no material impact arising from climate change on the judgements and estimates made in the financial statements.

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional terms. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

Key sources of estimation uncertainty

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting will, by definition, seldom equal the actual results. The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

(i) Estimation of useful lives of bearer plants

Estimates and assumptions made to determine bearer plants carrying values and related depreciation are significant to the Group's financial position and performance. The annual depreciation charge is determined after estimating an asset's expected useful life and its residual value at the end of its life. The useful lives and residual values of the Group's bearer plants are determined by management at the time of acquisition or planting and reviewed annually for appropriateness. The Group derives useful economic lives based on experience of similar assets, including use of third party experts at the time of acquisition of assets. Climate change will also impact useful lives. In the short-term an increase in the volatility of weather patterns has the potential to increase plant deaths. Long-term these factors could reduce useful lives by suppressing yields and/or increasing the cost of taking mitigating actions. Emerging governmental policies relating to climate change are also considered when reviewing the appropriateness of useful economic lives. A decrease in the average useful life for all our bearer plants in aggregate by 10% or 20% would result in additional depreciation of £0.4 million or £0.9 million respectively.

(ii) Impairment of assets

The assessment of the recoverable amount for each group of CGUs is subject to a number of assumptions.

Periodic reviews of goodwill and other intangible and tangible assets for indications of impairment. The Group estimates the value in use of the cash-generating units to which the goodwill, intangible and tangible assets with indefinite/finite useful life are allocated. Estimating the value in use requires the Group, with the help of independent professional valuers where applicable, to make an estimate of the expected future cash flows from the cash-generating units and also to choose suitable discount rates in order to calculate the present value of those cash flows. Impairment tests are sensitive to forecasted EBITDA, growth rates and discount rates and changes in these assumptions may result in changes in recoverable values.

An impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset. The Group had engaged independent professional valuers, where relevant to assess the fair values for certain assets using recognised valuation techniques.

Impairment tests are sensitive to forecasted revenues, royalty rates and discount rates and changes in these assumptions may result in changes in recoverable values. The carrying amount of the Group's goodwill and indefinite/finite life intangible assets at the balance sheet date is disclosed in note 19 including sensitivity analysis.

The Group considered the impact of the current US tariffs on the carrying value and, while there is still considerable uncertainty, due to the limited sales into the US, there is unlikely to be a material impact to carrying value of the assets.

(iii) Biological assets

Biological assets are carried at fair value less estimated point-of-sale costs. Where meaningful market-determined prices do not exist to assess the fair value of biological assets, the fair value has been determined based on the net present value of expected future cash flows from those assets, discounted at appropriate pre-tax rates. In determining the fair value of biological assets where the discounting of expected future cash flows has been used, the Directors have made certain assumptions about expected life-span of the plantings, yields, selling prices, costs and discount rates. Details of assumptions made and sensitivity analysis are given in note 23.

(iv) Retirement benefit obligations

Pension accounting requires certain assumptions to be made in order to value obligations and to determine the impact on the Income Statement. These figures are particularly sensitive to assumptions for discount rates, life expectancy and inflation rates. Details of assumptions made and sensitivity analysis are given in note 40.

(v) Taxation and other liabilities

Income tax liabilities include a number of provisions including in respect of open tax years based on management's interpretation of country specific tax law and the likelihood of settlement. This can involve a significant amount of judgement as tax legislation can be complex and open to different interpretation. Management uses professional firms and previous experience when assessing tax risks. Where actual tax liabilities differ from the provisions, adjustments are made which can have a material impact on the Group's profits for the year. The Group records reasoned estimates of uncertain tax positions where it is assessed on the balance of probabilities that an adjustment is likely. It is not practicable to quantify the range of outcomes with the application of sensitivity analyses. Tax provision movements are disclosed in note 12. Significant unprovided contingent tax liabilities are disclosed in note 45.

Changes in accounting policy and disclosures

(i) New and amended standards adopted by the Group

In the current year, the Group has adopted and applied the following amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB), none of which had any material impact on the disclosures or on the amounts reported in these financial statements:

Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback

(ii) Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

Amendments to IAS 21	The Effects of Changes in Foreign Exchange Rates' (amendments) – lack of exchangeability
Amendments to IFRS 7, IFRS 9	Classification and measurement of financial instruments
IFRS 18	Presentation and Disclosure in Financial Statements

Annual Improvements to IFRS Accounting Standards – Volume 11

The Directors do not expect that the adoption of the standards, amendments and interpretations listed above will have a material impact on the consolidated financial statements of the Group.

1 Business and geographical segments

Business segments

The principal activities of the Group are based on our eight core agriculture businesses, as follows:

Bangladesh
India
EP Kenya
Kakuzi
Malawi
South Africa
Tanzania
Brazil
Other - AJT Engineering, Jing Tea and EP Cape

For management reporting purposes these activities form the basis on which the Group reports its primary divisions. Previously these activities were reported as Agriculture and Engineering. Engineering previously contained only AJT Engineering and Agriculture contained the remaining businesses. These have been reclassified to better reflect the business management structures in the Group. The comparative figures also reflect this.

In addition, the Group holds a number of investments.

Segment information about these businesses is presented below:

Continuing operations	Bangladesh 2024 £'m	India 2024 £'m	EP Kenya 2024 £'m	Kakuzi 2024 £'m	Malawi 2024 £'m	South Africa 2024 £'m	Tanzania 2024 £'m	Brazil 2024 £'m	Other 2024 £'m	Corporate 2024 £'m	Total 2024 £'m
Revenue											
External sales	19.8	108.4	36.8	25.8	31.6	4.1	0.1	9.3	25.4	0.9	262.2
Adjusted trading (loss)/profit	(2.3)	0.8	5.5	(0.3)	0.8	(0.9)	(1.6)	2.5	(1.2)	(8.8)	(5.5)
Separately disclosed items (note 4)	–	–	–	–	–	–	–	–	–	–	–
Trading (loss)/profit	(2.3)	0.8	5.5	(0.3)	0.8	(0.9)	(1.6)	2.5	(1.2)	(8.8)	(5.5)
Share of associates' results	0.2	–	–	–	–	–	–	–	–	–	0.2
Loss on disposal of associates	(4.7)	–	–	–	–	–	–	–	–	–	(4.7)
Profit on disposal of assets classified as held for sale	–	–	–	–	–	–	–	–	10.7	0.8	11.5
Profit on disposal of property and heritage assets	–	–	–	–	–	–	–	–	0.3	0.7	1.0
Impairments of investment properties	–	–	–	–	–	–	–	–	–	(0.8)	(0.8)
Other gains and losses	–	–	–	–	(0.7)	–	–	–	–	0.9	0.2
Profit on disposal of financial assets	–	0.2	–	–	–	–	–	0.1	–	–	0.3
Operating (loss)/profit	(6.8)	1.0	5.5	(0.3)	0.1	(0.9)	(1.6)	2.6	9.8	(7.2)	2.2
Comprising											
– adjusted operating (loss)/profit before tax	(2.1)	1.0	5.5	(0.3)	0.1	(0.9)	(1.6)	2.6	(1.2)	(7.9)	(4.8)
– loss on disposal of associates	(4.7)	–	–	–	–	–	–	–	–	–	(4.7)
– profit on disposal of assets classified as held for sale	–	–	–	–	–	–	–	–	10.7	0.8	11.5
– profit on disposal of property and heritage assets	–	–	–	–	–	–	–	–	0.3	0.7	1.0
– impairments of investment properties	–	–	–	–	–	–	–	–	–	(0.8)	(0.8)
	(6.8)	1.0	5.5	(0.3)	0.1	(0.9)	(1.6)	2.6	9.8	(7.2)	2.2
Investment income	–	0.2	–	–	–	–	–	–	2.2	0.4	2.8
Net finance (cost)/income	(1.1)	(1.1)	(1.9)	(0.7)	(0.6)	(0.5)	(0.1)	0.3	(1.2)	1.9	(5.0)
(Loss)/profit before tax	(7.9)	0.1	3.6	(1.0)	(0.5)	(1.4)	(1.7)	2.9	10.8	(4.9)	–
Taxation											(4.7)
Loss for the year from continuing operations											(4.7)
Loss for the year from discontinued operations											(0.6)
Loss after tax											(5.3)

1 Business and geographical segments *(continued)*

Continuing operations	Bangladesh 2024 £'m	India 2024 £'m	EP Kenya 2024 £'m	Kakuzi 2024 £'m	Malawi 2024 £'m	South Africa 2024 £'m	Tanzania 2024 £'m	Brazil 2024 £'m	Other 2024 £'m	Corporate 2024 £'m	Total 2024 £'m
Other information											
Segment assets	47.0	91.6	35.4	41.2	28.3	10.7	5.9	13.4	18.6	141.4	433.5
Discontinued operations											0.2
Unallocated assets											42.6
Consolidated total assets											476.3
Segment liabilities	(14.9)	(27.6)	(9.2)	(1.8)	(7.3)	(1.9)	–	(0.6)	(9.1)	(12.3)	(84.7)
Discontinued operations											(0.2)
Unallocated liabilities											(43.7)
Consolidated total liabilities											(128.6)
Capital expenditure	1.7	2.0	1.2	1.2	0.4	0.5	1.1	0.9	0.5	–	9.5
Depreciation	(1.6)	(2.9)	(1.2)	(1.7)	(0.8)	(0.3)	(0.2)	(0.4)	(0.6)	(0.1)	(9.8)
Impairments	–	–	–	–	–	–	–	–	–	(0.8)	(0.8)

Segment assets consist primarily of intangible assets, property, plant and equipment, investment properties, biological assets, prepaid operating leases, inventories, trade and other receivables and cash and cash equivalents. Receivables for tax have been excluded. Investments in associates, valued using the equity method, have been shown separately in the segment information. Segment liabilities are primarily those relating to the operating activities and generally exclude liabilities for taxes, short-term loans, finance leases and non-current liabilities.

Continuing operations	*Bangladesh 2023 £'m*	*India 2023 £'m*	*EP Kenya 2023 £'m*	*Kakuzi 2023 £'m*	*Malawi 2023 £'m*	*South Africa 2023 £'m*	*Tanzania 2023 £'m*	*Brazil 2023 £'m*	*Other 2023 £'m*	*Corporate 2023 £'m*	*Total 2023 £'m Restated*
Revenue											
External sales	*18.5*	*97.5*	*42.0*	*28.7*	*28.5*	*4.3*	*–*	*13.3*	*20.5*	*0.9*	*254.2*
Adjusted trading (loss)/profit	*(4.7)*	*(6.6)*	*7.7*	*4.3*	*(0.9)*	*(1.7)*	*(1.5)*	*1.7*	*(1.4)*	*(9.7)*	*(12.8)*
Separately disclosed items (note 4)	*–*	*–*	*2.5*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*2.5*
Trading (loss)/profit	*(4.7)*	*(6.6)*	*10.2*	*4.3*	*(0.9)*	*(1.7)*	*(1.5)*	*1.7*	*(1.4)*	*(9.7)*	*(10.3)*
Share of associates' results	*0.3*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*3.1*	*–*	*3.4*
Profit on disposal of assets classified as held for sale	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*2.1*	*2.1*
Impairments of intangible assets and investment properties	*–*	*(0.3)*	*–*	*–*	*–*	*–*	*–*	*–*	*(1.1)*	*(0.2)*	*(1.6)*
Reversal of impairment of investment in associate	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*19.0*	*–*	*19.0*
Profit on disposal of financial assets	*–*	*0.3*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*0.3*
Operating (loss)/profit	*(4.4)*	*(6.6)*	*10.2*	*4.3*	*(0.9)*	*(1.7)*	*(1.5)*	*1.7*	*19.6*	*(7.8)*	*12.9*
Comprising											
– adjusted operating (loss)/profit before tax	*(4.4)*	*(6.3)*	*7.7*	*4.3*	*(0.9)*	*(1.7)*	*(1.5)*	*1.7*	*1.7*	*(9.7)*	*(9.1)*
– profit on disposal of assets classified as held for sale	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*2.1*	*2.1*
– Impairments of intangible assets and investment properties	*–*	*(0.3)*	*–*	*–*	*–*	*–*	*–*	*–*	*(1.1)*	*(0.2)*	*(1.6)*
– reversal of impairment of investment in associate	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*19.0*	*–*	*19.0*
– release of creditor not required	*–*	*–*	*2.5*	*–*	*–*	*–*	*–*	*–*	*–*	*–*	*2.5*
	(4.4)	*(6.6)*	*10.2*	*4.3*	*(0.9)*	*(1.7)*	*(1.5)*	*1.7*	*19.6*	*(7.8)*	*12.9*
Investment income	*–*	*0.2*	*–*	*–*	*–*	*–*	*–*	*–*	*2.3*	*0.4*	*2.9*
Net finance (cost)/income	*(0.5)*	*(1.1)*	*3.1*	*0.9*	*(0.4)*	*(0.6)*	*(0.4)*	*0.3*	*(0.3)*	*1.4*	*2.4*

1 Business and geographical segments *(continued)*

	Bangladesh 2023 £'m	*India 2023 £'m*	*EP Kenya 2023 £'m*	*Kakuzi 2023 £'m*	*Malawi 2023 £'m*	*South Africa 2023 £'m*	*Tanzania 2023 £'m*	*Brazil 2023 £'m*	*Other 2023 £'m*	*Corporate 2023 £'m*	*Total 2023 £'m*
Continuing operations											
(Loss)/profit before tax	*(4.9)*	*(7.5)*	*13.3*	*5.2*	*(1.3)*	*(2.3)*	*(1.9)*	*2.0*	*21.6*	*(6.0)*	*18.2*
Taxation											*(5.2)*
Loss for the year from continuing operations											*13.0*
Loss for the year from discontinued operations											*(14.4)*
Loss after tax											*(1.4)*
Other information											
Segment assets	*45.9*	*94.6*	*34.6*	*36.1*	*29.5*	*12.0*	*4.7*	*14.8*	*19.8*	*137.0*	*429.0*
Investments in associates	*10.4*										*10.4*
Discontinued operations											*13.8*
Unallocated assets											*46.5*
Consolidated total assets											*499.7*
Segment liabilities	*(9.5)*	*(33.0)*	*(10.1)*	*(1.7)*	*(7.8)*	*(1.6)*	*–*	*(0.6)*	*(9.9)*	*(6.2)*	*(80.4)*
Discontinued operations											*(5.6)*
Unallocated liabilities											*(50.4)*
Consolidated total liabilities											*(136.4)*
Capital expenditure	*2.0*	*2.6*	*0.8*	*1.6*	*0.3*	*0.6*	*0.9*	*1.3*	*0.1*	*0.4*	*10.6*
Depreciation	*(1.8)*	*(3.1)*	*(1.5)*	*(1.6)*	*(1.2)*	*(0.3)*	*(0.2)*	*(0.4)*	*(0.6)*	*(0.1)*	*(10.8)*
Impairments	*–*	*(0.3)*	*–*	*–*	*–*	*–*	*–*	*–*	*(1.1)*	*(0.2)*	*(1.6)*

Segment assets consist primarily of intangible assets, property, plant and equipment, investment properties, biological assets, prepaid operating leases, inventories, trade and other receivables and cash and cash equivalents. Receivables for tax have been excluded. Investments in associates, valued using the equity method, have been shown separately in the segment information. Segment liabilities are primarily those relating to the operating activities and generally exclude liabilities for taxes, short-term loans, finance leases and non-current liabilities.

Geographical analysis

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major geographical regions:

	At a point in time 2024 £'m	At a point in time *2023 £'m Restated*	Over time 2024 £'m	Over time *2023 £'m*	Total 2024 £'m	Total *2023 £'m Restated*
United Kingdom	40.2	*54.2*	0.9	*0.9*	41.1	*55.1*
Continental Europe	25.8	*33.0*	–	*–*	25.8	*33.0*
Bangladesh	19.8	*18.5*	–	*–*	19.8	*18.5*
India	90.4	*83.4*	–	*–*	90.4	*83.4*
Kenya	35.1	*39.6*	–	*–*	35.1	*39.6*
Malawi	7.1	*5.0*	0.1	*0.1*	7.2	*5.1*
South Africa	5.1	*3.2*	–	*–*	5.1	*3.2*
North America	4.4	*2.2*	–	*–*	4.4	*2.2*
South America	9.4	*13.2*	–	*–*	9.4	*13.2*
Other	23.9	*19.0*	–	*–*	23.9	*19.0*
	261.2	*271.3*	1.0	*1.0*	262.2	*272.3*

1 Business and geographical segments *(continued)*

The following is an analysis of the carrying amount of segment assets and additions to property, plant and equipment and investment properties, analysed by the geographical area in which the assets are located:

	Carrying amount of segment assets		Additions to property, plant and equipment	
	2024	*2023*	2024	*2023*
	£'m	*£'m*	£'m	*£'m*
United Kingdom	14.8	*15.4*	0.4	*0.1*
Bangladesh	47.0	*45.9*	1.7	*2.0*
India	91.6	*94.6*	2.0	*2.7*
Kenya	78.5	*73.3*	2.5	*2.3*
Malawi	28.3	*29.5*	0.4	*0.3*
South Africa	12.6	*13.8*	0.6	*0.6*
Tanzania	5.9	*4.7*	1.0	*0.9*
Brazil	13.4	*14.8*	0.9	*1.3*
	292.1	*292.0*	9.5	*10.2*
Corporate - United Kingdom/Bermuda	141.4	*137.0*	–	*0.4*
Continuing	433.5	*429.0*	9.5	*10.6*
Discontinued - United Kingdom	0.2	*13.8*	–	*0.4*
	433.7	*442.8*	9.5	*11.0*

2 Revenue

An analysis of the Group's revenue is as follows:

	2024 £'m	*2023 £'m Restated*
Sale of goods	241.7	*237.5*
Engineering services revenue	19.5	*15.7*
Property rental revenue	1.0	*1.0*
Total Group revenue	262.2	*254.2*
Other operating income	2.4	*2.7*
Investment income	2.8	*2.9*
Interest income	2.5	*2.2*
Total Group income	269.9	*262.0*

Disaggregation of revenue from contracts with customers:

	At a point in time		Over time	
	2024 £'m	*2023 £'m Restated*	2024 £'m	*2023 £'m*
Sale of goods	241.7	*237.5*	–	–
Engineering services revenue	19.5	*15.7*	–	–
Property rental revenue	–	–	1.0	*1.0*
Total Group revenue	261.2	*253.2*	1.0	*1.0*

3 Trading loss

	2024 £'m	*2023 £'m*
The following items have been included in arriving at trading loss:		
Employment costs (note 17)	107.3	*106.7*
Inventories:		
Cost of inventories recognised as an expense (included in cost of sales)	167.4	*175.5*
Cost of inventories provision recognised as an expense (included in cost of sales)	0.2	*1.0*
Fair value gain included in made Tea	–	*0.6*
Depreciation of property, plant and equipment:		
Owned assets	9.1	*10.5*
Right-of-use assets	0.7	*2.2*
Amortisation of intangibles (included in administrative expenses)	–	*0.1*
Gain from change in fair value of non-current biological assets	(2.2)	*(2.2)*
Loss on disposal of property, plant and equipment	0.2	*0.4*
Profit on disposal of investment property	–	*(0.3)*
Repairs and maintenance expenditure on property, plant and equipment	7.7	*8.8*

Currency exchange losses/(gains) charged/(credited) to income include:		
Revenue	0.1	*1.3*
Cost of sales	(0.1)	*(2.0)*
Distribution costs	0.6	*(0.4)*
Administrative expenses	0.1	*0.1*
Finance income and costs	3.3	*(3.4)*
Other gains and losses	(0.9)	*–*
	3.1	*(4.4)*

During the year the Group (including its overseas subsidiaries) obtained the following services from the Company's auditor and its associates:

Audit services:		
Statutory audit:		
Fees payable to the Company's auditor and associates for the audit of the parent and the Company	0.5	*0.5*
Fees payable for the audit of the Company's subsidiaries	0.8	*0.8*
	1.3	*1.3*

During the year the Group incurred no non audit fees (2023 £nil).

4 Adjusted loss

The Group's income statement and segmental analysis separately identify a number of Alternative Performance Measures (APMs) in addition to those reported under IFRS. The Directors believe that the presentation of the results in this way, which is not meant to be a substitute for or superior to IFRS measures, is relevant to an understanding of the Group's underlying trends, financial performance and position. These APMs are also used to enhance the comparability of information between reporting periods and the Group's divisions, by adjusting for non-recurring or uncontrollable factors which affect IFRS measures, to aid the user in understanding the underlying performance. Our KPIs are aligned to our strategy. Consequently, APMs are consistent with how the business performance is planned and reported internally to the Board and Operating Committees to aid their decision making.

	2024 £'m	*2023 £'m Restated*
Trading loss	(5.5)	*(10.3)*
Exceptions or items considered non-operational:		
Release of creditor not required	–	*2.5*
Adjusted trading loss	(5.5)	*(12.8)*
Operating profit	2.2	*12.9*
Exceptions or items considered non-operational:		
Release of creditor not required	–	*2.5*
Loss on disposal of associates	(4.7)	*–*
Profit on disposal of assets classified as held for sale	11.5	*2.1*
Profit on disposal of property and heritage assets	1.0	*–*
Impairments of intangible assets and investment properties	(0.8)	*(1.6)*
Reversal of impairment of investment in associate	–	*19.0*
Adjusted operating loss before tax	(4.8)	*(9.1)*
Investment income	2.8	*2.9*
Net finance income	(5.0)	*2.4*
Adjusted loss before tax	(7.0)	*(3.8)*

The following items have been excluded from the adjusted loss measure and have been separately disclosed:

- A net loss of £4.7 million was realised, after the transfer of £3.3 million losses in relation to exchange differences and other movements previously included in reserves, following the disposal of the Group's entire holdings in its Bangladeshi associates
- A net profit of £10.7 million was realised, after the transfer of £9.2 million gains in relation to exchange differences and other movements previously included in reserves, following the disposal of the Group's investment in BF&M Limited. In addition, two properties and a number of the Group's art and manuscripts which had previously been classified as held for sale have been sold, realising a profit of £0.8 million
- A net profit of £1.0 million was realised, following the disposal of Group properties in the UK and heritage assets
- An impairment charge of £0.8 million in relation to a number of the Group's investment properties

Prior period comparatives have been restated following the reclassification of Bardsley as a discontinued operation. See note 13 for details of trading loss and exceptional items.

4 Adjusted loss *(continued)*

In 2023, the following items were excluded from the adjusted profit measure and were separately disclosed:

- A £2.5 million credit to costs of sales in relation to a tea cess creditor, which had been provided for over a number of years and was subject to a court appeal. During 2023, this accrual was reversed, following an agreement with the local government
- During the year, assets previously classified as held for sale relating to a number of the Group's art and manuscripts were sold, realising a profit of £2.1 million
- An impairment charge of £1.1 million has been recognised in relation to the Jing Tea brand reflecting lower than anticipated growth expectations
- An impairment charge of £0.3 million has been recognised in relation to the goodwill on the acquisition of a tea estate in India, following a reassessment of achievable future yields
- An impairment charge of £0.2 million in relation to one of the Group's investment properties
- Reversal of impairment of the Group's investment in BF&M Limited of £19.0 million

5 Share of associates' results

The Group's share of the results of associates is analysed below:

	2024 £'m	*2023* *£'m*
Profit before tax	0.7	*3.9*
Taxation	(0.5)	*(0.5)*
Profit after tax	0.2	*3.4*

Further information in relation to disposal of associates during 2024 can be found in note 25.

6 Loss on disposal of associates

A net loss of £4.7 million was realised, after the transfer of £3.3 million losses in relation to exchange differences and other movements previously included in reserves, following the disposal of the Group's entire holdings in its Bangladeshi associates, United Finance Limited (38.4% holding) and United Insurance Company Limited (37.0% holding). Net proceeds were £7.9 million. Further details are included in note 25.

7 Profit on disposal of assets classified as held for sale

A net profit of £10.7 million was realised, after the transfer of £9.2 million gains in relation to exchange differences and other movements previously included in reserves, following the disposal of the Group's investment in BF&M Limited, which until 2023 had previously been accounted for as an associate until being classified as held for sale. Net proceeds were £78.7 million.

In addition, two properties and a number of the Group's art and manuscripts which had previously been classified as held for sale have been sold, realising a profit of £0.8 million. Total cash consideration was £3.7 million, of which £3.5 million was received during 2024 and £0.2 million was received in early 2025.

In 2023, assets previously classified as held for sale relating to a number of the Group's art and manuscripts were sold, realising a profit of £2.1 million.

8 Profit on disposal of property and heritage assets

A net profit of £1.0 million was realised, following the disposal of Group properties in the UK and heritage assets. Net proceeds were £4.0 million.

9 Impairments of intangible assets and investment properties

An impairment charge of £0.8 million (2023: £0.2 million) was incurred in relation to UK investment properties.

In 2023, an impairment charge of £1.1 million was recognised due to lower than anticipated growth expectations in relation to the brand associated with Jing Tea, a UK subsidiary which operates within the global tourism and hospitality sector and an impairment charge of £0.3 million was recognised in relation to the goodwill on the acquisition of a tea estate in India, following the Group's annual impairment test and a reassessment of expected future yields.

10 Other gains and losses

	2024 £'m	*2023* *£'m*
Exchange gain on treasury deposits at amortised cost	0.9	–
Net monetary loss on hyperinflation	(0.7)	–
	0.2	–

11 Finance income and costs

	2024 £'m	*2023* *£'m* *Restated*
Interest payable on loans and bank overdrafts	(2.5)	*(2.2)*
Interest payable on leases	(0.5)	*(0.5)*
Other interest payable	(0.5)	*(0.1)*
Finance costs	(3.5)	*(2.8)*
Finance income - interest income on short-term bank deposits	2.5	*2.2*
Net exchange (loss)/gain on foreign cash balances	(3.3)	*3.4*
Employee benefit expense (note 40)	(0.7)	*(0.4)*
Net finance (cost)/income	(5.0)	*2.4*

12 Taxation

Analysis of charge in the year	2024 £'m	 £'m	*2023* *£'m*
Current tax			
UK corporation tax			
UK corporation tax at 25.00 per cent. (2023: 23.50 per cent.)		–	–
Foreign tax			
Corporation tax	6.0		*6.9*
Adjustment in respect of prior years	0.8		*(0.7)*
		6.8	*6.2*
Total current tax		6.8	*6.2*
Deferred tax			
Origination and reversal of timing differences			
United Kingdom	–		*(0.1)*
Overseas	(2.1)		*(0.9)*
		(2.1)	*(1.0)*
Tax on profit from ordinary activities		4.7	*5.2*

12 Taxation *(continued)*

	2024 £'m	*2023 £'m Restated*
Factors affecting tax charge for the year		
Profit before tax	–	*18.2*
Share of associated undertakings profit	(0.2)	*(3.4)*
Group (loss)/profit before tax	(0.2)	*14.8*
Tax at the standard rate of corporation tax in the UK of 25.00 per cent. (2023: 23.50 per cent.)	–	*3.5*
Effects of:		
Adjustment to tax in respect of prior years	0.8	*(0.9)*
Utilisation of tax losses not previously recognised	(0.9)	*0.6*
Expenses not deductible for tax purposes	2.1	*0.4*
Adjustment in respect of foreign tax rates	0.9	*0.3*
Additional tax arising on dividends from overseas companies	1.0	*0.7*
Other income not charged to tax	(3.0)	*(4.6)*
Change in deferred tax not recognised	3.1	*4.9*
Movement in other timing differences	0.7	*0.3*
Total tax charge for the year	4.7	*5.2*

The tax charge includes a charge of £0.2m (2023: credit £0.4m) relating to the recognition of deferred tax losses able to be utilised to offset gains in value of financial assets at fair value through other comprehensive income where the related equal and opposite credit arises in the Statement of Comprehensive Income.

The Group's future tax charge and effective tax rate may be affected by several factors, including the resolution of audits and disputes, changes in tax laws or tax rates, the repatriation of cash from overseas markets to the UK, the ability to utilise brought forward tax losses, and the impact of business acquisitions or disposals. Additionally, changes to the geographical mix of profits between lower tax and higher tax jurisdictions may also affect the Group's future tax charge.

The OECD's Pillar Two Global Anti-Base Erosion (GloBE) rules introduce a global minimum effective tax rate of 15% for large multinational enterprises. While the Group is currently below the consolidated threshold for these rules to apply, it continues to monitor developments and assess potential future implications.

13 Discontinued operations - Bardsley

The Bardsley operation was completely closed during 2024, with all lease agreements successfully exited, creditors paid and all assets sold. All Bardsley group companies have now been placed in a Members' Voluntary Liquidation process.

The prior year figures in the consolidated income statement and the consolidated cashflow statement have been restated in accordance with IFRS 5 to report the discontinued operations separately from continuing operations.

13 Discontinued operations - Bardsley *(continued)*

The results of the discontinued operations, which have been included in the loss, were as follows:

	2024 £'m	*2023* *£'m*
Revenue	4.0	*18.1*
Cost of sales	(3.8)	*(16.8)*
Gross profit	0.2	*1.3*
Other operating income	0.4	*0.7*
Distribution costs	(0.2)	*(1.9)*
Administrative expenses	(1.6)	*(5.4)*
Trading loss	(1.2)	*(5.3)*
Impairments of property, plant and equipment and right-of-use assets	(1.1)	*(7.8)*
Provisions and costs associated with restructuring and dilapidations	–	*(1.1)*
Net profit on closure of operations and disposal of assets	1.8	*–*
Operating loss	(0.5)	*(14.2)*
Net finance costs	(0.1)	*(0.2)*
Loss before tax	(0.6)	*(14.4)*

14 Profit for the year

	2024 £'m	*2023* *£'m*
The profit of the Company was:	0.6	*4.5*

The Company has taken advantage of the exemption under Section 408 of the Companies Act 2006 not to disclose its income statement.

15 Equity dividends

	2024 £'m	*2023* *£'m*
Amounts recognised as distributions to equity holders in the period:		
Final dividend for the year ended 31 December 2023 of nil (2022: 102p) per share	–	*2.8*
Interim dividend for the year ended 31 December 2024 of nil (2023: 44p) per share	–	*1.2*
	–	*4.0*

Dividends amounting to £nil (2023: £0.1 million) have not been included as group companies hold 62,500 issued shares in the Company. These are classified as treasury shares.

Proposed final dividend for the year ended 31 December 2024 of 260p (2023: nil) per share	7.3	*–*

16 (Loss)/earnings per share (EPS)

	Loss £'m	2024 Weighted average number of shares Number	EPS Pence	*Profit/(loss) £'m Restated*	*2023 Weighted average number of shares Number*	*EPS Pence Restated*
Basic and diluted EPS						
Attributable to ordinary shareholders - continuing operations	(4.3)	2,761,748	(155.7)	*10.7*	*2,762,000*	*387.4*
Attributable to ordinary shareholders - continuing and discontinued operations	(4.9)	2,761,748	(177.4)	*(3.7)*	*2,762,000*	*(134.0)*

Basic and diluted earnings per share are calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period, excluding those held by the Group as treasury shares (note 41).

17 Employees

	Continuing operations		Continuing and discontinued operations	
	2024 Number	*2023 Number*	2024 Number	*2023 Number*
Average number of employees by activity:				
Bangladesh	19,585	*19,567*	19,585	*19,567*
India	39,634	*41,394*	39,634	*41,394*
EP Kenya	5,413	*5,252*	5,413	*5,252*
Kakuzi	3,752	*3,526*	3,752	*3,526*
Malawi	9,871	*9,854*	9,871	*9,854*
South Africa	614	*605*	614	*605*
Tanzania	62	*59*	62	*59*
Brazil	67	*66*	67	*66*
Other	198	*196*	198	*196*
Central management	28	*31*	28	*31*
Discontinued - Bardsley	–	*–*	30	*233*
	79,224	*80,550*	79,254	*80,783*

17 Employees *(continued)*

		2024 £'m	*2023 £'m*	2024 £'m	*2023 £'m*
Employment costs:					
Wages and salaries		97.8	*96.3*	98.9	*103.8*
Social security costs		2.0	*1.9*	2.1	*2.6*
Employee benefit obligations (note 40)	- UK	0.8	*0.7*	0.8	*0.8*
	- Overseas	6.7	*7.8*	6.7	*7.8*
		107.3	*106.7*	108.5	*115.0*

Total remuneration paid to key employees who are members of the Executive Committees, excluding Directors of Camellia Plc, amounted to £1.8 million (2023: £1.9 million).

18 Emoluments of the directors

	2024 £'m	*2023 £'m*
Aggregate emoluments excluding pension contributions	2.4	*2.1*

Emoluments of the highest paid director excluding pension contributions were £0.7 million (2023: £0.6 million), which included a loss of office payment of £nil (2023: £0.1 million).

Further details of directors' emoluments are set out on pages 48 to 49.

19 Intangible assets

Group	Goodwill £'m	Brands £'m	Computer software £'m	Total £'m
Cost				
At 1 January 2023	*4.9*	*8.7*	*0.6*	*14.2*
Exchange differences	*(0.1)*	*(0.1)*	*–*	*(0.2)*
Additions	*–*	*–*	*0.1*	*0.1*
At 1 January 2024	4.8	8.6	0.7	14.1
Additions	–	–	0.1	0.1
Disposals	(3.6)	–	(0.1)	(3.7)
At 31 December 2024	1.2	8.6	0.7	10.5
Amortisation				
At 1 January 2023	*3.9*	*3.5*	*0.5*	*7.9*
Charge for the year	*–*	*–*	*0.1*	*0.1*
Impairment provision	*0.3*	*1.1*	*–*	*1.4*
At 1 January 2024	4.2	4.6	0.6	9.4
Disposals	(3.6)	–	(0.1)	(3.7)
At 31 December 2024	0.6	4.6	0.5	5.7
Net book value at 31 December 2024	0.6	4.0	0.2	4.8
Net book value at 31 December 2023	*0.6*	*4.0*	*0.1*	*4.7*

The goodwill disposal relates to Bardsley which had previously been written down to £nil.

19 Intangible assets *(continued)*

In accordance with the Group's accounting policy, goodwill and intangible assets are tested annually for impairment. As a result of this testing, an impairment of £nil (2023: £0.3 million) was made in relation to the goodwill on acquisition of a tea estate acquired in Assam India and £nil (2023: £1.1 million) was made in relation to a brand owned relating to Jing Tea, following a reassessment of achievable future yields and growth expectations respectively.

Goodwill consists of the following:

Segment	Cash Generating Unit (CGU)	2024 Net Book Value £'m	*2023 Net Book Value £'m*
Agriculture	Tea estates acquired in Assam, India	0.6	*0.6*

Tea estates acquired in Assam, India

The recoverable value was considered to exceed the carrying value by £0.2 million. The valuation is based on externally determined market multiples of the annual average crop production of the relevant estates. A change in either the multiple or the average crop would create a possibility of an impairment, as they are variables in the calculation of the estate value (rate multiplied by average production). But keeping one factor constant, the other factor would have to go down by 4% for an impairment to arise.

Intangibles comprise brands owned relating to Jing Tea with a net book value of £2.1 million and £1.9 million for the Indian packet tea operations. The brands are assessed to have indefinite lives.

Indian brands

The fair value less costs to sell of the Indian packet tea brands were significantly in excess of the carrying value. The underlying cash flow supporting this fair value is dependent on growth assumed for each of volumes, selling price, costs and overheads. The impact of climate risks and opportunities are considered during the strategic, operational and financial planning processes. As part of this, management reviews the climate change factors that could impact the business plan over the short, medium and long-term and the scenarios relating to the impacts of climate change and how this will impact future operations. Short-term financial forecasts used for the purpose of testing intangible assets for impairment reflect, where appropriate, short-term climate risks and opportunities. In the medium to long-term, such risks and opportunities are factored into the growth rates where reasonably quantifiable.The degree of change required in the various assumptions to bring about a possible impairment is considered to be improbable based on current management estimates and therefore no reasonably possible change in the key assumptions would result in an impairment.

Jing Tea

The fair value of the brand owned by Jing Tea was calculated using the Royalty Forgiven methodology. This is sensitive to input assumptions, particularly in relation to future growth, notably customer demand growth. A range of scenarios has been considered and the recoverable amount derived from these shows a recoverable amount in excess of the carrying value. The key assumptions and sensitivities are set out below:

	Assumption	Change in assumption Impact on fair value of the brand +1% £'m	−1% £'m
Royalty rate	3.2%	1.3	(1.3)
Discount rate	9.75%	(0.5)	0.7

If forecasted revenues were to change by +/-10 % in every year it would have the effect of a decrease/increase in the fair value of the brand of £0.4 million.

20 Property, plant and equipment

Group	Bearer plants £'m	Land and buildings £'m	Plant and machinery £'m	Fixtures, fittings and equipment £'m	Total £'m
Deemed cost					
At 1 January 2023	*137.0*	*80.9*	*89.5*	*14.4*	*321.8*
Exchange differences	*(26.0)*	*(9.9)*	*(11.5)*	*(1.4)*	*(48.8)*
Additions	*4.3*	*2.6*	*3.2*	*0.9*	*11.0*
Disposals	*(1.1)*	*(0.1)*	*(1.6)*	*(0.6)*	*(3.4)*
Transfer between categories	*–*	*(0.2)*	*1.1*	*(0.9)*	*–*
Reclassification to held for sale	*–*	*1.0*	*–*	*–*	*1.0*
At 1 January 2024	114.2	74.3	80.7	12.4	281.6
Exchange differences	1.9	2.5	0.9	0.4	5.7
Additions	3.8	2.2	2.8	0.6	9.4
Disposals	(4.0)	(9.9)	(7.1)	(0.9)	(21.9)
Reclassification to investment properties	–	(0.2)	–	–	(0.2)
At 31 December 2024	115.9	68.9	77.3	12.5	274.6
Depreciation					
At 1 January 2023	*38.0*	*31.1*	*59.7*	*8.5*	*137.3*
Exchange differences	*(8.0)*	*(4.1)*	*(7.2)*	*(1.0)*	*(20.3)*
Charge for the year	*3.8*	*1.9*	*4.3*	*0.5*	*10.5*
Disposals	*(0.6)*	*(0.5)*	*(0.7)*	*(0.4)*	*(2.2)*
Transfer between categories	*–*	*0.2*	*0.2*	*(0.4)*	*–*
Impairment provision - Bardsley	*0.5*	*2.6*	*1.1*	*0.3*	*4.5*
At 1 January 2024	33.7	31.2	57.4	7.5	129.8
Exchange differences	0.7	1.1	0.7	0.4	2.9
Charge for the year	3.3	1.6	3.8	0.4	9.1
Disposals	(3.8)	(4.1)	(6.3)	(0.7)	(14.9)
Transfer between categories	0.2	(0.2)	–	–	–
Impairment provision - Bardsley	–	1.1	–	–	1.1
At 31 December 2024	34.1	30.7	55.6	7.6	128.0
Net book value at 31 December 2024	81.8	38.2	21.7	4.9	146.6
Net book value at 31 December 2023	*80.5*	*43.1*	*23.3*	*4.9*	*151.8*
Assets in the course of construction included in the above:					
At 1 January 2023	*9.7*	*0.7*	*0.9*	*–*	*11.3*
Exchange differences	*(1.1)*	*(0.1)*	*(0.1)*	*–*	*(1.3)*
Additions	*3.2*	*1.2*	*0.9*	*0.1*	*5.4*
Transfer upon completion	*(1.9)*	*(1.0)*	*(1.5)*	*(0.1)*	*(4.5)*
Disposals	*(0.2)*	*–*	*–*	*–*	*(0.2)*
Impairment provision - Bardsley	*(0.5)*	*(0.1)*	*–*	*–*	*(0.6)*
Net book value at 1 January 2024	9.2	0.7	0.2	–	10.1
Additions	3.0	1.2	0.6	0.1	4.9
Transfer upon completion	(2.2)	(0.5)	(0.5)	–	(3.2)
Disposals	(0.1)	–	–	–	(0.1)
Net book value at 31 December 2024	9.9	1.4	0.3	0.1	11.7

The impairment of £1.1 million relates to Bardsley England's packhouse which was recognised in the first half of 2024 due to a reduction in its recoverable value.

21 Right-of-use assets

	Land and buildings £'m	Plant and machinery £'m	Total £'m
Group			
Deemed cost			
At 1 January 2023	*28.4*	*2.3*	*30.7*
Exchange differences	*(0.9)*	*(0.2)*	*(1.1)*
Additions	*1.0*	*0.5*	*1.5*
Disposals	*(11.3)*	*(0.5)*	*(11.8)*
At 1 January 2024	17.2	2.1	19.3
Exchange differences	0.2	–	0.2
Additions	0.5	0.2	0.7
Disposals	(3.6)	(1.4)	(5.0)
At 31 December 2024	14.3	0.9	15.2
Depreciation			
At 1 January 2023	*3.4*	*1.2*	*4.6*
Exchange differences	*(0.1)*	*(0.1)*	*(0.2)*
Charge for the year	*1.6*	*0.6*	*2.2*
Disposals	*(2.6)*	*(0.5)*	*(3.1)*
Impairment provision	*2.9*	*0.4*	*3.3*
At 1 January 2024	5.2	1.6	6.8
Charge for the year	0.5	0.2	0.7
Disposals	(3.5)	(1.4)	(4.9)
At 31 December 2024	2.2	0.4	2.6
Net book value at 31 December 2024	12.1	0.5	12.6
Net book value at 31 December 2023	*12.0*	*0.5*	*12.5*

The impairment charge in 2023 of £3.3 million related to Bardsley England and arose from the decision to wind down the operation.

The Group leases many assets including land, buildings and plant. The average lease term is 53 years (2023: 73 years).

Leases that expired in the year and were replaced by new leases for identical or the same underlying assets resulted in additions to right-of-use assets of £0.7 million (2023: £1.1 million).

The maturity analysis of lease liabilities is presented in note 37.

	2024 £'m	*2023 £'m*
Amounts recognised in the consolidated income statement:		
Interest expense on lease liabilities - continuing	0.5	*0.5*
Interest expense on lease liabilities - discontinued	0.1	*0.2*
Expense relating to short-term leases	0.3	*0.2*

22 Investment properties

	£'m
Group	
Cost	
At 1 January 2023	*27.0*
Disposals	*(0.1)*
Reclassification to property, plant and equipment	*(1.0)*
Reclassification to held for sale	*(1.8)*
At 1 January 2024	24.1
Disposals	(2.8)
Reclassification from property, plant and equipment	0.2
Reclassification to held for sale	(6.2)
At 31 December 2024	15.3
Depreciation	
At 1 January 2023	*1.6*
Reclassification to held for sale	*(1.0)*
Impairment provision	*0.2*
At 1 January 2024	0.8
Reclassification to held for sale	(0.2)
Impairment provision	0.8
At 31 December 2024	1.4
Net book value at 31 December 2024	13.9
Net book value at 31 December 2023	*23.3*

Included in revenue is £1.0 million (2023: £1.0 million) of rental income generated from investment properties. Direct operating expenses relating to the investment property, the majority of which generated rental income in the period, amounted to £0.5 million (2023: £0.3 million).

At the end of the year the fair value of investment properties was £25.3 million (2023: £39.3 million) based on vacant possession. Investment properties were valued by the Directors (fair value hierarchy Level 2).

23 Biological assets

Non-current:	Forestry £'m	Livestock £'m	Total £'m
Group			
At 1 January 2023	*13.0*	*1.1*	*14.1*
Exchange differences	*(3.9)*	*(0.3)*	*(4.2)*
Additions	*0.4*	*–*	*0.4*
Gains arising from changes in fair value less estimated point-of-sale costs	*1.9*	*0.3*	*2.2*
Decreases due to harvesting/sales	*(1.0)*	*(0.3)*	*(1.3)*
At 1 January 2024	10.4	0.8	11.2
Exchange differences	1.7	0.3	2.0
Additions	1.0	–	1.0
Gains arising from changes in fair value less estimated point-of-sale costs	1.7	0.5	2.2
Decreases due to harvesting/sales	(0.9)	(0.3)	(1.2)
At 31 December 2024	13.9	1.3	15.2

Current:	2024 £'m	*2023 £'m*
Group		
Tea	0.2	*0.4*
Macadamia	1.9	*2.1*
Soya	3.0	*3.3*
Avocado	2.3	*2.8*
Other	0.4	*0.2*
	7.8	*8.8*

Biological assets are carried at fair value. Where meaningful market-determined prices do not exist to assess the fair value of biological assets, the fair value has been determined based on the net present value of expected future cash flows from those assets, discounted at appropriate pre-tax rates. In determining the fair value of biological assets where the discounting of expected future cash flows has been used, the Directors have made certain assumptions about the expected life-span of the plantings, yields, selling prices and costs taking account of variety of factors including the related impact of weather patterns. There are no individually significant unobservable inputs. The fair value of livestock is based on market prices of livestock of similar age and sex.

New planting additions represent new areas planted to the particular crop at cost.

As at 31 December 2024 the area planted to Forestry amounted to 5,859 Hectares (2023: 5,586) from which 174,148 cubic metres (2023: 171,375) were harvested during the year.

Livestock numbers were 4,290 head (2023: 4,506) at 31 December 2024.

23 Biological assets *(continued)*

Fair value measurement
All of the biological assets fall under level 3 of the hierarchy defined in IFRS 13.

The basis upon which the valuations are determined is set out in accounting policies on page 70.

Valuations by external professional valuers and those derived from discounted cash flows both make assumptions based on observable inputs of: yields, an increase in which will raise the value; costs, an increase in which will decrease the value; market prices, an increase in which will raise the value; life span of the plantings, an increase in which will raise the value; discount rates, an increase in which will decrease the value. These assumptions vary significantly across different countries, crops and varieties. In preparing these valuations a long term view is taken on the yields and prices achievable.

The fair value of biological assets is sensitive to these assumptions, the more significant of which are as follows:

Non-current:

– Forestry - a 10% movement in the market price for trees or volume of trees assumed would result in a £1.4 million (2023: £1.0 million) increase/decrease in the fair value of forestry.

Current:

– Macadamia - a 10% increase/decrease in the volumes or the prices assumed would result in a £0.5 million (2023: £0.5 million) increase/decrease in the fair value of macadamia growing crop.
– Avocados - a 10% increase/decrease in the volumes assumed would result in a £0.6 million (2023: £0.5 million) increase/decrease in the fair value of Hass avocados growing crop. A 10% increase/decrease in selling price assumed would result in a £1.1 million (2023: £0.7 million) increase/decrease in the fair value of Hass avocados growing crop.
– Soya - a 10% increase/decrease in the volume or the price assumed would result in a £0.4 million (2023: £0.3 million) increase/decrease in the fair value of soya growing crop.

Financial risk management strategies
The Group is exposed to financial risks arising from changes in the prices of the agricultural products it produces. There are no futures markets available for the majority of crops grown by the Group. The Group's exposure to this risk is, in part, mitigated by the geographical spread of its operations, selective forward selling in certain instances when considered appropriate, and regular reviews of available market data on sales and production. The Group monitors closely the returns it achieves from its crops and considers replacing its biological assets when yields decline with age or markets change.

Further financial risk arises from changes in market prices of key cost components. Such costs are closely monitored.

24 Investments in subsidiaries

	2024 £'m	*2023* *£'m*
Company		
Cost		
At 1 January and 31 December	73.5	*73.5*

25 Investments in associates

	2024 £'m	*2023 £'m*
Group		
At 1 January	10.4	*99.0*
Exchange differences	(1.0)	*(4.1)*
Share of profit (note 5)	0.2	*3.4*
Dividends	(0.3)	*(1.0)*
Disposal	(9.3)	–
Reclassification to held for sale	–	*(86.9)*
At 31 December	–	*10.4*
Provision for diminution in value		
At 1 January	–	*29.6*
Exchange differences	–	*(0.9)*
Reversal of impairment	–	*(19.0)*
Reclassification to held for sale	–	*(9.7)*
At 31 December	–	–
Net book value at 31 December	–	*10.4*

On 31 October 2024, the Group entered into agreements to sell its entire holdings in its Bangladeshi associates, United Finance Limited (38.4% holding) and United Insurance Company Limited (37.0% holding). Following regulatory approval, the Group sold its entire holdings by way of block trades on the Dhaka Stock Exchange on 10 and 11 November 2024. Net proceeds were £7.9 million and a net loss of £4.7 million was realised, after the transfer of £3.3 million of exchange differences and other movements previously included in reserves.

In 2023, the Group entered into an agreement to sell it's entire holding in BF&M Limited, to Bermuda Life Insurance Company Limited for $100 million. As a result of this, £19.0 million of impairments previously provided for, were reversed and credited to the income statement. This investment was reclassified as held for sale and was no longer equity accounted.

The Group's share of the results of its principal associates and its share of the assets (including goodwill) and liabilities are as follows:

	Country of incorporation	Assets £'m	Liabilities £'m	Revenues £'m	Profit/ (loss) £'m	Interest held %	Market value £'m
2023							
Listed							
United Finance Limited	Bangladesh	*78.5*	*(70.2)*	*2.6*	*0.4*	*38.4*	*8.1*
United Insurance Company Limited	Bangladesh	*3.9*	*(1.8)*	*0.3*	*(0.1)*	*37.0*	*5.3*
		82.4	*(72.0)*	*2.9*	*0.3*		*13.4*

26 Equity investments at fair value through other comprehensive income

	Group		Company	
	2024	*2023*	2024	*2023*
	£'m	*£'m*	£'m	*£'m*
Cost or fair value				
At 1 January	31.3	*26.4*	0.2	*0.2*
Exchange differences	2.1	*(2.9)*	–	–
Fair value adjustment	(2.3)	*5.1*	–	–
Additions	0.1	*4.1*	–	–
Disposals	(0.3)	*(1.0)*	–	–
Fair value adjustment for disposal	–	*(0.4)*	–	–
At 31 December	30.9	*31.3*	0.2	*0.2*
Provision for diminution in value				
At 1 January	0.7	*0.7*	0.2	*0.2*
Disposals	(0.2)	–	–	–
At 31 December	0.5	*0.7*	0.2	*0.2*
Net book value at 31 December	30.4	*30.6*	–	–

Equity investments at fair value through other comprehensive income include the following:

	Group	
	2024	*2023*
	£'m	*£'m*
Listed securities:		
Equity securities - Japan	8.1	*8.7*
Equity securities - Switzerland	7.9	*8.6*
Equity securities - US	2.5	*2.2*
Equity securities - India	1.3	*1.0*
Equity securities - Europe	0.5	*0.5*
Equity securities - United Kingdom	9.8	*9.2*
Equity securities - Other	0.3	*0.4*
	30.4	*30.6*

26 Equity investments at fair value through other comprehensive income *(continued)*

Equity investments at fair value through other comprehensive income are denominated in the following currencies:

	Group	
	2024	*2023*
	£'m	*£'m*
Sterling	9.8	*9.2*
US Dollar	2.5	*2.2*
Euro	0.5	*0.5*
Swiss Franc	7.9	*8.6*
Indian Rupee	1.3	*1.0*
Japanese Yen	8.1	*8.7*
Other	0.3	*0.4*
	30.4	*30.6*

27 Money market investments at fair value through profit or loss

	Group	
	2024	*2023*
	£'m	*£'m*
At 1 January	6.5	*8.6*
Exchange differences	(0.2)	*(0.3)*
Fair value adjustment	0.3	*0.3*
Additions	2.7	*2.0*
Disposals	(4.5)	*(4.1)*
At 31 December	4.8	*6.5*

Money market investments at fair value through profit or loss include the following:

	Group	
	2024	*2023*
	£'m	*£'m*
Listed securities:		
Money market - Bermuda	0.1	*0.1*
Money market - Brazil	0.6	*0.6*
Money market - India	4.1	*5.8*
	4.8	*6.5*

27 Money market investments at fair value through profit or loss *(continued)*

Money market investments at fair value through profit or loss are denominated in the following currencies:

	Group	
	2024	*2023*
	£'m	*£'m*
US Dollar	0.1	*0.1*
Brazil Real	0.6	*0.6*
Indian Rupee	4.1	*5.8*
	4.8	*6.5*
Current	0.5	*–*
Non-Current	4.3	*6.5*
	4.8	*6.5*

28 Debt investments at amortised cost

	Group	
	2024	*2023*
	£'m	*£'m*
At 1 January	1.0	*1.3*
Exchange differences	0.2	*(0.3)*
Disposals	(1.2)	*–*
At 31 December	–	*1.0*

Debt investments at amortised cost comprises:

	2024	*2023*
	£'m	*£'m*
Treasury infrastructure bonds - 12.5% interest payable twice yearly and redeemable in November 2024 - Kenya	–	*1.0*
	–	*1.0*
Current	–	*1.0*

29 Treasury deposits at amortised cost

Treasury deposits at amortised cost comprises:

	Group	
	2024	*2023*
	£'m	*£'m*
US$ bank treasury deposits - 3, 6, 9 and 12 month deposits paying 4.32$, 4.29%, 4.21%, 4.13% and redeemable in March, June, September and December 2025 - United Kingdom	39.9	*–*
Current	39.9	*–*

30 Other investments - heritage assets

	Group		Company	
	2024	*2023*	2024	*2023*
	£'m	*£'m*	£'m	*£'m*
Cost				
At 1 January	7.5	*8.8*	7.6	*8.9*
Disposals	(0.2)	*–*	(0.2)	*–*
Reclassification to held for sale	–	*(1.3)*	–	*(1.3)*
At 31 December	7.3	*7.5*	7.4	*7.6*

Heritage assets comprise the Group's and Company's investment in fine art, philately, documents and manuscripts. The market value of these collections is expected to be in excess of book value.

31 Inventories

	2024	*2023*
	£'m	*£'m*
Group		
Made Tea	28.8	*26.8*
Other agricultural produce	1.7	*6.2*
Work in progress	0.1	*0.1*
Trading stocks	1.7	*1.2*
Raw materials and consumables	14.6	*15.1*
	46.9	*49.4*

Made tea inventories include the fair value of green leaf which includes a fair value uplift of £nil (2023: £0.6 million). Inventories are net of £0.2 million (2023: £1.0 million) provision which has been recognised as an expense.

32 Trade and other receivables

	Group		Company	
	2024	*2023*	2024	*2023*
	£'m	*£'m*	£'m	*£'m*
Group				
Current:				
Trade receivables	21.1	*25.9*	–	–
Amounts owed by associated undertakings	–	*0.2*	–	–
Other receivables	4.1	*4.5*	–	–
Prepayments	9.4	*9.8*	–	–
Accrued income	3.9	*7.8*	0.4	*3.1*
	38.5	*48.2*	0.4	*3.1*
Non-current:				
Other receivables	2.2	*2.7*	–	–

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

	Group		Company	
	2024	*2023*	2024	*2023*
	£'m	*£'m*	£'m	*£'m*
Current:				
Sterling	6.5	*13.4*	0.4	*3.1*
US Dollar	5.1	*8.7*	–	–
Euro	0.3	*0.5*	–	–
Kenyan Shilling	3.1	*2.1*	–	–
Indian Rupee	16.5	*16.4*	–	–
Malawian Kwacha	1.6	*1.2*	–	–
Bangladesh Taka	3.0	*2.7*	–	–
South African Rand	0.2	*0.3*	–	–
Brazilian Real	1.9	*1.9*	–	–
Other	0.3	*1.0*	–	–
	38.5	*48.2*	0.4	*3.1*
Non-current:				
Kenyan Shilling	0.6	*0.5*		
Indian Rupee	1.1	*1.6*		
Malawian Kwacha	0.1	*0.2*		
Bangladesh Taka	0.4	*0.4*		
	2.2	*2.7*		

32 Trade and other receivables *(continued)*

		Trades receivables - days past due				
	Current	Up to 30 days	31-60 days	61-90 days	Over 91 days	Total
As at 31 December 2024	£'m	£'m	£'m	£'m	£'m	£'m
Gross carrying amount - trade receivables	18.0	1.5	0.8	0.3	1.2	21.8
Expected credit loss rate	–	0.0%	0.0%	33.3%	50.0%	3.2%
Lifetime ECL	–	–	–	0.1	0.6	0.7
Net carrying amount	18.0	1.5	0.8	0.2	0.6	21.1

		Trades receivables - days past due				
	Current	*Up to 30 days*	*31-60 days*	*61-90 days*	*Over 91 days*	*Total*
As at 31 December 2023	*£'m*	*£'m*	*£'m*	*£'m*	*£'m*	*£'m*
Gross carrying amount - trade receivables	*22.3*	*2.1*	*0.6*	*0.4*	*1.3*	*26.7*
Expected credit loss rate	–	*0.0%*	*0.0%*	*25.0%*	*53.8%*	*3.0%*
Lifetime ECL	–	–	–	*0.1*	*0.7*	*0.8*
Net carrying amount	*22.3*	*2.1*	*0.6*	*0.3*	*0.6*	*25.9*

The closing loss allowance for trade receivables reconciles to the opening loss allowance as follows:

	2024	*2023*
	£'m	*£'m*
Opening loss allowance	0.8	*0.8*
Exchange losses	–	*(0.1)*
Change in loss allowance due to new trade and other receivables originated net of those derecognised due to settlement	–	*0.2*
Receivables written off during the year as uncollectable	(0.1)	*(0.1)*
Closing loss allowance	0.7	*0.8*

33 Cash and cash equivalents (excluding bank overdrafts)

	Group		Company	
	2024	*2023*	2024	*2023*
	£'m	*£'m*	£'m	*£'m*
Cash at bank and in hand	31.1	*18.0*	0.4	*0.1*
Short-term bank deposits	60.3	*18.8*	–	–
Short-term liquid investments	7.3	*11.1*	–	–
	98.7	*47.9*	0.4	*0.1*

33 Cash and cash equivalents (excluding bank overdrafts) *(continued)*

Cash, cash equivalents and bank overdrafts include the following for the purposes of the cash flow statement:

	2024 £'m	*2023 £'m*	2024 £'m	*2023 £'m*
Cash and cash equivalents	98.7	*47.9*	0.4	*0.1*
Bank overdrafts (note 36)	(14.9)	*(14.0)*	–	–
	83.8	*33.9*	0.4	*0.1*

	2024	2023
Effective interest rate:		
Short-term deposits	0.21 - 15.10%	*0.03 - 15.25%*
Short-term liquid investments	4.70 - 8.00%	*5.00 - 8.00%*
Average maturity period:		
Short-term deposits	38 days	*53 days*
Short-term liquid investments	92 days	*92 days*

34 Assets classified as held for sale / Liabilities related to assets classified as held for sale

During the year the following assets were transferred to held for sale:

	Group		Company	
	2024 £'m	*2023 £'m*	2024 £'m	*2023 £'m*
At 1 January	82.3	*4.6*	0.9	*0.5*
Reclassified from investment properties	6.0	*0.8*	–	–
Reclassified from investments in associates	–	*77.2*	–	–
Reclassified from heritage assets	–	*1.3*	–	*1.3*
	88.3	*83.9*	0.9	*1.8*
Disposals during the year	(82.1)	*(1.6)*	(0.7)	*(0.9)*
At 31 December	6.2	*82.3*	0.2	*0.9*

Liabilities related to assets classified as held for sale as at 31 December:

Reclassified from lease liabilities	–	*2.1*	–	–

During the period, the Group's investment in BF&M, two properties and some of the Group's heritage assets and other items of art have been sold. Total cash consideration was £82.4 million, of which £82.2 million was received during 2024 and £0.2 million was received in early 2025.

Subsequent to the year end, two properties classified as held for sale have been sold, realising cash proceeds of £6.8 million.

35 Trade and other payables

	Group		Company	
	2024	*2023*	2024	*2023*
	£'m	*£'m*	£'m	*£'m*
Current:				
Trade payables	18.7	*21.8*	0.1	*0.1*
Other taxation and social security	2.1	*3.0*	–	*0.4*
Other payables	20.8	*21.3*	0.1	*0.2*
Purchase of own shares	8.7	–	8.7	–
Accruals and deferred income	5.0	*6.1*	0.7	*0.6*
	55.3	*52.2*	9.6	*1.3*

36 Financial liabilities - borrowings

	2024	*2023*
	£'m	*£'m*
Group		
Current:		
Bank overdrafts	14.9	*14.0*
Bank loans	0.7	*4.6*
	15.6	*18.6*
Current borrowings include the following amounts secured on property, plant and equipment and investment properties:		
Bank overdrafts	12.8	*8.9*
Bank loans	0.7	*4.6*
	13.5	*13.5*
Non-current:		
Bank loans	3.1	*3.3*
Non-current borrowings include the following amounts secured on plant and equipment and investment properties:		
Bank loans	3.1	*3.3*
The repayment of bank loans and overdrafts fall due as follows:		
Within one year or on demand (included in current liabilities)	15.6	*18.6*
Between 1 - 2 years	0.6	*0.4*
Between 2 - 5 years	0.7	*1.0*
After 5 years	1.8	*1.9*
	18.7	*21.9*

The rates of interest payable by the Group ranged between:

	2024	*2023*
	%	*%*
Bank overdrafts	8.00 - 27.00	*7.00 - 27.00*
Bank loans	9.25 - 13.50	*8.00 - 12.00*

37 Lease liabilities

	2024 £'m	*2023 £'m*
Group		
Maturity analysis of lease liabilities is as follows:		
Within one year	0.6	*2.2*
Between 1 - 2 years	0.8	*1.3*
Between 2 - 5 years	1.2	*2.1*
Onwards	5.6	*5.7*
	8.2	*11.3*
Analysed as:		
Current	0.6	*2.2*
Non-current	7.6	*9.1*
	8.2	*11.3*

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the individual subsidiaries' finance functions.

38 Provisions

	Wages and salaries £'m	Legal claims £'m	Others £'m	Total £'m
Group				
At 1 January 2023	*9.1*	*0.9*	*0.8*	*10.8*
Exchange differences	*(0.7)*	*(0.2)*	–	*(0.9)*
Utilised in the period	*(7.6)*	*(0.4)*	–	*(8.0)*
Provided in the period	*6.5*	–	*0.6*	*7.1*
Unused amounts reversed in period	*(1.3)*	*(0.1)*	–	*(1.4)*
At 1 January 2024	6.0	0.2	1.4	7.6
Exchange differences	(0.1)	–	–	(0.1)
Utilised in the period	(5.3)	–	(0.1)	(5.4)
Provided in the period	6.9	–	0.2	7.1
Unused amounts reversed in period	(0.6)	(0.1)	(1.0)	(1.7)
At 31 December 2024	6.9	0.1	0.5	7.5
Current:				
At 31 December 2024	6.9	0.1	0.5	7.5
At 31 December 2023	*6.0*	*0.2*	*1.4*	*7.6*

The wages and salaries provisions are in respect of ongoing wage and bonus negotiations in India and Bangladesh, the majority of which are expected to be utilised during 2025.

Legal claims relates to the expected costs of progressive measures concerning our East African operations.

Others relate to provisions for general claims and dilapidations.

39 Deferred tax

The net movement on the deferred tax account is set out below:

	Group		Company	
	2024	*2023*	2024	*2023*
	£'m	*£'m*	£'m	*£'m*
At 1 January	28.4	*37.0*	–	*0.2*
Exchange differences	1.6	*(7.9)*	–	*–*
Credited to the income statement	(2.1)	*(1.0)*	–	*(0.2)*
Charged to other comprehensive income	0.1	*0.3*	–	*–*
At 31 December	28.0	*28.4*	–	*–*

The movement in deferred tax assets and liabilities is set out below:

Deferred tax liabilities

	Accelerated tax depreciation £'m	Pension scheme assets £'m	Other £'m	Total £'m
At 1 January 2023	*41.9*	*0.1*	*3.8*	*45.8*
Exchange differences	*(8.3)*	*–*	*(0.6)*	*(8.9)*
(Credited)/charged to the income statement	*(0.4)*	*–*	*0.1*	*(0.3)*
(Credited)/charged to other comprehensive income	*–*	*(0.1)*	*0.5*	*0.4*
At 1 January 2024	33.2	–	3.8	37.0
Exchange differences	1.6	–	(0.2)	1.4
(Credited)/charged to the income statement	(0.9)	–	0.1	(0.8)
Credited to other comprehensive income	–	–	(0.2)	(0.2)
At 31 December 2024	33.9	–	3.5	37.4
Deferred tax assets offset				(9.4)
Net deferred tax liability after offset				28.0

39 Deferred tax *(continued)*

Deferred tax assets

	Tax losses £'m	Pension scheme liabilities £'m	Other £'m	Total £'m
At 1 January 2023	*3.8*	*0.7*	*4.3*	*8.8*
Exchange differences	*(0.3)*	*(0.1)*	*(0.6)*	*(1.0)*
Credited/(charged) to the income statement	*1.1*	–	*(0.4)*	*0.7*
Credited to other comprehensive income	–	*0.1*	–	*0.1*
At 1 January 2024	4.6	0.7	3.3	8.6
Exchange differences	–	(0.2)	–	(0.2)
Credited to the income statement	0.4	–	0.9	1.3
Charged to other comprehensive income	–	(0.3)	–	(0.3)
At 31 December 2024	5.0	0.2	4.2	9.4
Offset against deferred tax liabilities				(9.4)
Net deferred tax asset after offset				–

Deferred tax liabilities of £13 million (2023: £11.8 million) have not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of certain subsidiaries. Such amounts are permanently reinvested.

Deferred tax assets are recognised for tax losses carried forward only to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group has not recognised deferred tax assets of £41.2 million (2023: £31.8 million) in respect of losses that can be carried forward against future taxable income.

40 Employee benefit obligations

(i) Pensions

Certain Group subsidiaries operate defined contribution and funded defined benefit pension schemes. The most significant is the UK funded, defined benefit scheme. The assets of this scheme are administered by trustees and are kept separate from those of the Group. The performance of the assets is monitored on a regular basis by the trustees and their investment advisors. A full actuarial valuation was undertaken as at 1 July 2023 and updated to 31 December 2024 by a qualified independent actuary. The UK defined benefit pension scheme is closed to new entrants and with effect from 1 November 2016, the scheme was closed to future accruals. Since that date members have participated in a defined contribution scheme.

The overseas schemes are operated in Group subsidiaries located in Bangladesh and India. Actuarial valuations for these schemes have been updated to 31 December 2024 by qualified actuaries.

40 Employee benefit obligations *(continued)*

Assumptions

The major assumptions used in the valuation to determine the present value of the schemes' defined benefit obligations were as follows:

	2024	*2023*
	% per annum	*% per annum*
UK schemes		
Rate of increase in salaries	N/a	*N/a*
Rate of increase to LPI (Limited Price Indexation) pensions in payment	2.50 - 5.00	*2.40 - 5.00*
Discount rate applied to scheme liabilities	5.40	*4.45*
Inflation assumption (CPI/RPI)	2.50/3.10	*2.40/3.00*

Assumptions regarding future mortality experience are based on advice received from independent actuaries. The current mortality tables used are SAPS 3, males 113%/106% and females 112%/108%, on a year of birth basis, with CMI_2023 future improvement factors and subject to a long term annual rate of future improvement of 1.25% per annum, smoothing parameter of 7.0, initial addition parameter of 0.25% pa and w parameter of 0% pa for 2020, 2021 and 25% pa for 2022, 2023. This results in males and females pensioners aged 65 having life expectancies of 21.1 years (2023: 21.1 years) and 23.5 years respectively (2023: 23.4 years) and results in males and females non-pensioners aged 45 having life expectancies of 21.9 years (2023: 21.8 years) and 24.7 years respectively (2023: 24.6 years) at aged 65.

	2024	*2023*
Overseas schemes	% per annum	*% per annum*
Rate of increase in salaries	6.00	*6.00*
Rate of increase to LPI (Limited Price Indexation) pensions in payment	0.00 - 3.00	*0.00 - 3.00*
Discount rate applied to scheme liabilities	6.75 - 12.50	*7.00 - 10.80*
Inflation assumption	3.00 - 6.00	*3.00 - 6.00*

(ii) Post-employment benefits

Certain Group subsidiaries located in Kenya, India and Bangladesh have an obligation to pay terminal gratuities, based on years of service. These obligations are estimated annually using the projected unit method by qualified independent actuaries. Schemes operated in India are funded but the schemes operated in Kenya and Bangladesh are unfunded. Operations in India and Bangladesh also have an obligation to pay medical benefits upon retirement. These schemes are unfunded.

Assumptions

The major assumptions used in the valuation to determine the present value of the post-employment benefit obligations were as follows:

	2024	*2023*
	% per annum	*% per annum*
Rate of increase in salaries	6.00 - 8.00	*6.00 - 8.00*
Discount rate applied to scheme liabilities	6.75 - 13.60	*7.00 - 15.70*
Inflation assumptions	0.00 - 8.00	*0.00 - 8.00*

(iii) Leave obligations

Certain Group subsidiaries located in India have an obligation to pay leave benefit, based on years of service. These obligations are estimated annually using the projected unit method by qualified independent actuaries. These schemes are unfunded.

40 Employee benefit obligations *(continued)*

(iv) Profit sharing obligations
Certain Group subsidiaries located in Bangladesh may have an obligation to pay sums for workers profit participation for prior years based on a rate of 5 per cent. of post tax profit. Provisions have been made for these sums pending clarification of the applicability of the legislation.

Sensitivity analysis
The sensitivity of the UK defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption	Impact on defined benefit obligation
Discount rate	0.5% higher	4.3% decrease
Discount rate	0.5% lower	4.6% increase
Rate of RPI inflation	0.25% higher	0.9% increase
Rate of RPI inflation	0.25% lower	0.9% decrease
Life expectancy	+1 year	5.9% increase
Life expectancy	-1 year	5.9% decrease

The above changes in assumptions may have an impact on the value of the scheme's investment holdings. For example, the scheme holds a proportion of its assets in corporate bonds. A fall in the discount rate as a result of lower UK corporate bond yields would lead to an increase in the value of these assets, thus mitigating the increase in the defined benefit obligation to some extent. The sensitivities have been calculated by changing the key assumption only and leaving all others fixed.

Duration of the scheme liabilities
The weighted average duration of the UK scheme's liabilities is 11 years.

Analysis of scheme liabilities
The liabilities of the UK scheme are split as follows:

	%
Deferred pensioners	30
Current pensioners	70
Total membership	100

40 Employee benefit obligations *(continued)*

(v) Actuarial valuations

	2024			*2023*		
	UK £'m	Overseas £'m	Total £'m	*UK £'m*	*Overseas £'m*	*Total £'m*
Equities and property	45.2	5.6	50.8	*47.4*	*4.5*	*51.9*
Bonds	11.8	22.8	34.6	*12.0*	*19.9*	*31.9*
Liability-driven investment	40.5	–	40.5	*48.8*	–	*48.8*
Diversified growth	15.7	–	15.7	*15.2*	–	*15.2*
Insurance related products	–	5.1	5.1	–	*3.6*	*3.6*
Cash	0.6	8.2	8.8	*1.2*	*14.5*	*15.7*
Total fair value of plan assets	113.8	41.7	155.5	*124.6*	*42.5*	*167.1*
Present value of defined benefit obligations	(116.0)	(46.9)	(162.9)	*(128.8)*	*(47.9)*	*(176.7)*
Effect of asset ceiling	–	(2.1)	(2.1)	–	*(1.7)*	*(1.7)*
Total deficit in the schemes	(2.2)	(7.3)	(9.5)	*(4.2)*	*(7.1)*	*(11.3)*
Amount recognised as current liability in the balance sheet	–	*(0.4)*	*(0.4)*	–	*(1.6)*	*(1.6)*
Amount recognised as non-current liability in the balance sheet	*(2.2)*	*(6.9)*	*(9.1)*	*(4.2)*	*(5.5)*	*(9.7)*
	(2.2)	*(7.3)*	*(9.5)*	*(4.2)*	*(7.1)*	*(11.3)*
Related deferred tax asset (note 39)	–	*0.3*	*0.3*	–	*0.7*	*0.7*
Net deficit	*(2.2)*	*(7.0)*	*(9.2)*	*(4.2)*	*(6.4)*	*(10.6)*

Movements in the fair value of scheme assets were as follows:

	2024			*2023*		
	UK £'m	Overseas £'m	Total £'m	*UK £'m*	*Overseas £'m*	*Total £'m*
At 1 January	124.6	42.5	167.1	*126.7*	*42.4*	*169.1*
Expected return on plan assets	5.3	2.9	8.2	*5.9*	*2.8*	*8.7*
Employer contributions	1.0	1.4	2.4	–	*2.9*	*2.9*
Contributions paid by plan participants	–	0.4	0.4	–	*0.4*	*0.4*
Benefit payments	(8.9)	(5.3)	(14.2)	*(8.7)*	*(4.1)*	*(12.8)*
Other adjustment	–	–	–	–	*0.2*	*0.2*
Actuarial (losses)/gains	(8.2)	0.6	(7.6)	*0.7*	*1.0*	*1.7*
Exchange differences	–	(0.7)	(0.7)	–	*(3.1)*	*(3.1)*
At 31 December	113.8	41.8	155.6	*124.6*	*42.5*	*167.1*

40 Employee benefit obligations *(continued)*

Movements in the present value of defined benefit obligations were as follows:

	2024			*2023*		
	UK £'m	Overseas £'m	Total £'m	*UK £'m*	*Overseas £'m*	*Total £'m*
At 1 January	(128.8)	(47.9)	(176.7)	*(127.8)*	*(49.7)*	*(177.5)*
Current service cost	–	(1.9)	(1.9)	*–*	*(2.5)*	*(2.5)*
Interest cost	(5.5)	(3.3)	(8.8)	*(5.9)*	*(3.2)*	*(9.1)*
Contributions paid by plan participants	–	(0.4)	(0.4)	*–*	*(0.4)*	*(0.4)*
Benefit payments	8.9	5.3	14.2	*8.7*	*4.1*	*12.8*
Other adjustment	–	0.7	0.7	*–*	*(0.2)*	*(0.2)*
Actuarial gains/(losses)	9.4	0.7	10.1	*(3.8)*	*(0.1)*	*(3.9)*
Exchange differences	–	(0.1)	(0.1)	*–*	*4.1*	*4.1*
At 31 December	(116.0)	(46.9)	(162.9)	*(128.8)*	*(47.9)*	*(176.7)*

In 2022, the total fair value of plan assets was £169.1 million, the present value of defined benefit obligations was £177.5 million and the deficit was £8.4 million. In 2021, the total fair value of plan assets was £241.3 million, the present value of defined benefit obligations was £236.2 million and the surplus was £5.1 million and in 2020, the total fair value of plan assets was £236.1 million, the present value of defined benefit obligations was £252.7 million and the deficit was £16.6 million.

Income Statement

The amounts recognised in the Income Statement are as follows:

	2024			*2023*		
	UK £'m	Overseas £'m	Total £'m	*UK £'m*	*Overseas £'m*	*Total £'m*
Amounts charged to operating profit:						
Current service cost	–	(1.9)	(1.9)	*–*	*(2.5)*	*(2.5)*
Past service cost	–	–	–	*–*	*–*	*–*
Total operating charge	–	(1.9)	(1.9)	*–*	*(2.5)*	*(2.5)*
Amounts charged to other finance costs:						
Interest expense	(0.2)	(0.4)	(0.6)	*–*	*(0.4)*	*(0.4)*
Interest on asset ceiling	–	(0.1)	(0.1)	*–*	*–*	*–*
Total charged to income statement	(0.2)	(2.4)	(2.6)	*–*	*(2.9)*	*(2.9)*

Employer contributions to defined contribution schemes are charged to profit when payable and the costs charged were £5.6 million (2023: £6.1 million).

Liabilities for workers profit participation in Bangladesh are charged to profit when the obligation arises.

40 Employee benefit obligations *(continued)*

Actuarial gains and losses recognised in the Statement of Comprehensive Income

The amounts included in the Statement of Comprehensive Income:

	2024			*2023*		
	UK	Overseas	Total	*UK*	*Overseas*	*Total*
	£'m	£'m	£'m	*£'m*	*£'m*	*£'m*
Remeasurements:						
Return on plan assets, excluding amount included in interest	(8.2)	0.6	(7.6)	*0.7*	*1.0*	*1.7*
(Loss)/gain from changes in demographic assumptions	(0.2)	–	(0.2)	*2.3*	*–*	*2.3*
Gain/(loss) from changes in financial assumptions	10.8	(0.8)	10.0	*(4.7)*	*1.2*	*(3.5)*
Experience (losses)/gains	(1.2)	1.5	0.3	*(1.4)*	*(1.3)*	*(2.7)*
Effect of asset ceiling	–	(0.3)	(0.3)	*–*	*(1.7)*	*(1.7)*
Actuarial gain /(loss)	1.2	1.0	2.2	*(3.1)*	*(0.8)*	*(3.9)*

Cumulative actuarial losses recognised in the Statement of Comprehensive Income are £12.0 million (2023: £14.2 million loss).

As the UK defined benefit pension scheme is closed to future accrual and active members were transferred to a defined contribution scheme, no employer contributions will be paid for the year commencing 1 January 2025, however, contributions totalling £1.0 m will be paid during 2025 to reduce the scheme's funding deficit. The latest actuarial valuation shows a funding deficit of £2.5 million.

Virgin Media court ruling

The Virgin Media Ltd v NTL Pension Trustees decision, handed down by the High Court on 16 June 2023, considered the implications of section 37 of the Pension Schemes Act 1993. Section 37 of the Pension Schemes Act 1993 only allowed the rules of contracted-out schemes in respect to benefits to be altered where certain requirements were met. The court decision was upheld on appeal on 25 July 2024. There is potential for legislative intervention following industry lobbying that may retrospectively validate certain rule amendments. In addition, there is a possibility that the case could go to the Supreme Court.

Having considered the matter, the Trustees commenced a review of the relevant Deeds of Amendment to identify if there are any issues relevant to this court decision. An initial high-level review of 15 deeds executed during the relevant time period, 10 either referenced Regulation 42 confirmations or did not require one. The remaining 5 changes restated the relevant scheme's rules and, as such, would have required significant incremental work to ascertain if the Regulation 42 confirmations had been obtained. Given the positive outcome of this review of the first 10 deeds, the absence of a legal requirement to review the deeds and with the expectation of potential legislative invention, the Trustees believe that it would not be proportionate to incur the costs of reviewing the 5 remaining deeds at this moment. Given these uncertainties it is not currently possible to determine whether any amendments were not in accordance with section 37 of the Pension Schemes Act 1993 requirements. Further, it is not currently possible to reliably estimate the retrospective possible impact to the defined benefit obligations of the pension scheme if these amendments were not in accordance with section 37 of the Pension Schemes Act 1993 requirements.

41 Share capital

	2024 £'m	*2023 £'m*
Authorised: 2,842,000 (2023: 2,842,000) ordinary shares of 10p each	0.3	*0.3*
Allotted, called up and fully paid: ordinary shares of 10p each:		
At 1 January - 2,824,500 (2023: 2,824,500) shares	0.3	*0.3*
Purchase of own shares - 3,570 (2023: nil) shares	–	–
At 31 December- 2,820,930 (2023: 2,824,500) shares	0.3	*0.3*

Group companies hold 62,500 issued shares in the Company. These are classified as treasury shares.

On 5 December 2024, the Company commenced its share buyback programme, which will run until the earlier of the Company's next annual general meeting and 30 June 2025. At 31 December 2024, the Company had purchased 3,570 shares for a total consideration of £0.2 million and these shares were cancelled.

The Company is required by accounting standards to recognise the maximum potential obligation as at the year end. This amounts to 134,530 at £65 per share, £8.7 million in total and is reflected as a liability. Due to the illiquidity of trading and the current share price, the Company expects that the total purchases in 2025 up to the date of the AGM will be approximately £1 million representing a conservative case of purchasing 21,075 shares at £48.

42 Reconciliation of profit from operations to cash flow

	2024 £'m	*2023 £'m* Restated
Group		
Profit from operations	2.2	*12.9*
Share of associates' results	(0.2)	*(3.4)*
Depreciation and amortisation	9.1	*10.1*
Depreciation of right-of-use assets	0.7	*0.8*
Impairment of assets	0.8	*1.6*
Reversal of impairment of investment in associate	–	*(19.0)*
Realised movements on biological assets - non-current	(2.2)	*(2.2)*
Money market investments at fair value through profit or loss - gain	(0.3)	*(0.3)*
Other gains and losses	(0.2)	–
Profit on disposal of non-current assets	(0.8)	*(0.1)*
Loss on disposal of associates	4.7	–
Profit on disposal of assets classified as held for sale	(11.5)	*(2.1)*
Movement in provisions	–	*(2.3)*
Decrease/(increase) in inventories	0.8	*(4.3)*
Decrease in biological assets	1.2	*0.6*
Decrease/(increase) in trade and other receivables	7.3	*(4.4)*
(Decrease)/increase in trade and other payables	(6.9)	*1.8*
Cash generated from/(used in) operations	4.7	*(10.3)*

43 Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

	Bank loans Current £'m	Bank loans Non-current £'m	Lease liabilities Current £'m	Lease liabilities Non-current £'m	Total £'m
At 1 January 2023	*1.4*	*4.4*	*2.3*	*19.1*	*27.2*
Exchange differences	*(0.5)*	*(0.2)*	–	*(0.3)*	*(1.0)*
New loans	*4.8*	–	–	–	*4.8*
New leases	–	–	*0.6*	*0.3*	*0.9*
Loans repaid	*(2.0)*	–	–	–	*(2.0)*
Lease payments	–	–	*(0.3)*	*(0.1)*	*(0.4)*
Transfers	*0.9*	*(0.9)*	–	–	–
Discontinued operations	–	–	*(0.4)*	*(9.9)*	*(10.3)*
At 1 January 2024	4.6	3.3	2.2	9.1	19.2
Exchange differences	(0.2)	–	–	–	(0.2)
New loans	0.7	0.2	–	–	0.9
New leases	–	–	0.4	0.2	0.6
Loans repaid	(4.8)	–	–	–	(4.8)
Lease payments	–	–	(0.6)	–	(0.6)
Lease disposal	–	–	(0.1)	–	(0.1)
Transfers	0.4	(0.4)	–	–	–
Discontinued operations	–	–	(1.3)	(1.7)	(3.0)
At 31 December 2024	0.7	3.1	0.6	7.6	12.0

The cash flows from bank loans, loans from related parties and other borrowings make up the net amount of proceeds from borrowings and repayments of borrowings in the cash flow statement.

44 Commitments

Capital commitments

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	2024	*2023*
	£'m	*£'m*
Group		
Property, plant and equipment	0.8	*0.7*

45 Contingencies

The Group operates in certain countries where its operations are potentially subject to a number of legal claims. When required, appropriate provisions are made for the expected cost of such claims.

Malawi tax

The Malawi Revenue Authority (MRA) indicated in 2021 that it intended to collect VAT on sales made at auction and under private treaty for export, in the period since 2017. Tea sales intended for the export market were subject to an industry wide agreement with the MRA and the Reserve Bank of Malawi made at the time the auction was established, resulting in these deemed exports being zero rated for VAT. Following discussions between the Malawi government, the MRA and the tea industry, the MRA has given permission for the auction to continue with teas deemed as export zero rated for VAT. The assessment raised against Eastern Produce Malawi was suspended. Eastern Produce Malawi's estimated contingent liability for VAT on these deemed export sales, excluding any penalties and interest, is approximately £2.7 million.

In 2023 the MRA carried out a tax audit on the operations of Eastern Produce Malawi Limited for the period 2020 to 2022 and issued assessment notices amounting to £2.6 million in relation to corporation, value added, non-resident, fringe benefit and PAYE taxes, including related penalties and interest. An amount of £0.3 million has been provided based on external advice received and these assessments are being strongly contested.

Bangladesh tax

Assessments were received for £7.9 million for corporate income tax and VAT matters. On appeal these were reduced to £0.4 million and are still being contested on the basis that they are without technical merit.

India tax

Assessments have been received for excise duties of £0.2 million, sales and entry tax of £0.9 million and of £0.5 million for income tax matters. These are being contested on the basis that they are without technical merit.

Also, a long running dispute between our local subsidiaries and the Government of West Bengal over the payment of a land tax, locally called, "Salami", remains unresolved. Lawyers acting for the Group have advised that payment of Salami does not apply, accordingly no provisions have been made. The sum in dispute, excluding fines and penalties, amounts to £1.1 million.

Kenya tax

In 2022, the Kenya Revenue Authority (KRA) carried out a tax audit on the operations of Kakuzi Plc and issued an assessment notice under section 31 (1) of the Kenya Tax Procedures Act 2015 in relation to withholding taxes paid to sales agents dating back to years 2017 to 2022. The company objected to these assessments and filed an appeal at the Tax Appeals Tribunal (TAT). In August 2024, the TAT ruled in favour of Kakuzi and set aside the assessments. However, KRA has since filed an appeal from the judgement of the TAT at the High Court. A date for this appeal is yet to be set.

46 Financial instruments

Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern, while managing banking and exchange risk to maximise the longer term return to stakeholders through the optimisation of its debt and equity balance. The capital structure of the Group consists of debt, which includes the borrowings and lease liabilities disclosed in notes 36 and 37, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

The Board reviews the capital structure, with an objective to ensure that debt as a percentage of tangible net assets does not exceed 50 per cent..

The ratio at the year end is as follows:

	2024 £'m	*2023* *£'m*
Borrowings	18.7	*21.9*
Lease liabilities	8.2	*11.3*
Debt	26.9	*33.2*
Tangible net assets	303.7	*321.1*
Ratio	8.86%	*10.34%*

Debt is defined as long and short-term borrowings and lease liabilities as detailed in notes 36 and 37.

Tangible net assets includes all capital and reserves of the Group attributable to equity holders of the parent less intangible assets.

Financial instruments by category

At 31 December 2024

	Financial assets at fair value through other comprehensive income £'m	Financial asset at fair value through profit or loss £'m	Financial assets at amortised cost £'m	Total £'m
Group				
Assets as per Balance Sheet				
Equity investments	30.4	–	–	30.4
Money market investments	–	4.8	–	4.8
Treasury deposit investments	–	–	39.9	39.9
Trade and other receivables excluding prepayments	–	–	31.3	31.3
Cash and cash equivalents	–	–	98.7	98.7
	30.4	4.8	169.9	205.1

46 Financial instruments *(continued)*

	Other financial liabilities at amortised cost £'m	Total £'m
Group		
Liabilities as per Balance Sheet		
Borrowings	18.7	18.7
Lease liabilities	8.2	8.2
Trade and other payables	55.3	55.3
	82.2	82.2
Company		
Trade and other payables	9.6	9.6

At 31 December 2023

	Financial assets at fair value through other comprehensive income £'m	*Financial asset at fair value through profit or loss £'m*	*Financial assets at amortised cost £'m*	*Total £'m*
Group				
Assets as per Balance Sheet				
Equity investments	*30.6*	–	–	*30.6*
Money market investments	–	*6.5*	–	*6.5*
Bond investments	–	–	*1.0*	*1.0*
Trade and other receivables excluding prepayments	–	–	*41.1*	*41.1*
Cash and cash equivalents	–	–	*47.9*	*47.9*
	30.6	*6.5*	*90.0*	*127.1*

	Other financial liabilities at amortised cost £'m	*Total £'m*
Group		
Liabilities as per Balance Sheet		
Borrowings	*21.9*	*21.9*
Leases liabilities	*11.3*	*11.3*
Trade and other payables	*52.2*	*52.2*
	85.4	*85.4*
Company		
Trade and other payables	*1.3*	*1.3*

46 Financial instruments *(continued)*

Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

The following table presents the Group's financial assets and liabilities that are measured at fair value. See note 23 for disclosures of biological assets that are measured at fair value.

At 31 December 2024

	Level 1 £'m	Level 2 £'m	Level 3 £'m	Total £'m
Assets				
Equity investments	30.4	–	–	30.4
Money market investments	4.8	–	–	4.8
Treasury deposit investments	39.9	–	–	39.9
	75.1	–	–	75.1

At 31 December 2023

	Level 1 £'m	*Level 2 £'m*	*Level 3 £'m*	*Total £'m*
Assets				
Equity investments	*30.6*	–	–	*30.6*
Money market investments	*6.5*	–	–	*6.5*
Bond investments	*1.0*	–	–	*1.0*
	38.1	–	–	*38.1*

Financial risk management objectives

The Group finances its operations by a mixture of retained profits, bank borrowings, long-term loans and leases. The objective is to maintain a balance between continuity of funding and flexibility through the use of borrowings with a range of maturities. To achieve this, the maturity profile of borrowings and facilities are regularly reviewed. The Group also seeks to maintain sufficient undrawn borrowing facilities to provide flexibility in the management of the Group's liquidity.

Given the nature and diversity of the Group's operations, the Board does not believe a highly complex use of financial instruments would be of significant benefit to the Group. However, where appropriate, the Board does authorise the use of certain financial instruments to mitigate financial risks that face the Group, where it is effective to do so.

46 Financial instruments *(continued)*

Various financial instruments arise directly from the Group's operations, for example cash and cash equivalents, trade receivables and trade payables. In addition, the Group uses financial instruments for two main reasons, namely:

- To finance its operations (to mitigate liquidity risk)
- To manage currency risks arising from its operations and arising from its sources of finance (to mitigate foreign exchange risk)

The Group did not, in accordance with Group policy, trade in financial instruments throughout the period under review.

(A) Market risk

(i) Foreign exchange risk

The Group has a significant exposure to the US Dollar arising from a number of operations having a significant trading exposure to the Dollar and as a consequence the Group holds significant US Dollar funds and Dollar denominated investments. If the exchange rate of the Dollar to Sterling were to move by 5 per cent, the Group's carrying value would increase/decrease by £2.5 million (2023: £1.1 million). In addition, the Group has significant Indian, Kenyan, Japanese and Swiss financial assets, if the exchange rates of the Indian Rupee, Kenyan Shilling, Japanese Yen and Swiss Franc to Sterling were to move by 5 per cent, the Group's carrying value would increase/decrease by £0.5 million (2023: £0.3 million), £0.5 million (2023: £0.1 million), £0.4 million (2023: £0.4 million) and £0.4 million (2023: £0.4 million) respectively.

Currency risks are primarily managed through the use of natural hedging and regularly reviewing when cash should be exchanged into either sterling or another functional currency.

(ii) Price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet as financial assets. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

The majority of the Group's equity investments are publicly traded and are quoted on stock exchanges located in Bermuda, India, Japan, Switzerland, UK and US. Should these equity indexes increase or decrease by 5 per cent. with all other variables held constant and all the Group's equity instruments move accordingly, the Group's carrying value would increase/decrease by £1.5 million (2023: £1.5 million).

The Group's exposure to commodity price risk is not significant.

(iii) Cash flow and interest rate risk

The Group's interest rate risk arises from interest-bearing assets and short and long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk.

At 31 December 2024 if interest rates on non-sterling denominated interest-bearing assets and borrowings had been 50 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been less than £0.2 million (2023: £0.1 million) higher/lower.

46 Financial instruments *(continued)*

The interest rate exposure of the Group's interest bearing assets and liabilities by currency, at 31 December was:

	Assets		Liabilities	
	2024	*2023*	2024	*2023*
	£'m	*£'m*	£'m	*£'m*
Sterling	68.9	*16.1*	5.6	*8.7*
US Dollar	47.0	*20.3*	–	–
Euro	0.6	*2.0*	–	–
Kenyan Shilling	10.1	*0.9*	0.3	*0.2*
Indian Rupee	3.9	*2.8*	5.7	*11.2*
Malawian Kwacha	0.2	*0.2*	2.3	*2.2*
Bangladesh Taka	2.9	*0.7*	9.5	*7.6*
South African Rand	0.7	*0.8*	3.5	*3.3*
Brazilian Real	3.7	*3.5*	–	–
Bermudian Dollar	–	*0.2*	–	–
Japanese Yen	0.4	*0.2*	–	–
Swiss Franc	0.2	*0.2*	–	–
	138.6	*47.9*	26.9	*33.2*

(B) Credit risk

The Group has policies in place to limit its exposure to credit risk. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. If customers are independently rated, these ratings are used. Otherwise if there is no independent rating, management assesses the credit quality of the customer taking into account its financial position, past experience and other factors and if appropriate holding liens over stock and receiving payments in advance of services or goods as required. Management monitors the utilisation of credit limits regularly.

The Group has a large number of trade receivables, the largest five receivables at the year end comprise 17 per cent. (2023: 23 per cent.) of total trade receivables.

(C) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the board of Directors. The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and managing the maturity profiles of financial assets and liabilities.

At 31 December 2024, the Group had undrawn committed facilities of £17.0 million (2023: £10.2 million), all of which are due to be reviewed within one year.

46 Financial instruments *(continued)*

The table below analyses the Group's financial assets and liabilities which will be settled on a net basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Less than 1 year £'m	Between 1 and 2 years £'m	Between 2 and 5 years £'m	Over 5 years £'m	Undated £'m	Total £'m
At 31 December 2024						
Assets						
Equity investments at fair value through other comprehensive income	–	–	–	–	30.4	30.4
Money market investments at fair value through profit or loss	0.5	4.3	–	–	–	4.8
Treasury deposits at amortised cost	39.9	–	–	–	–	39.9
Trade and other receivables excluding prepayments	29.1	2.2	–	–	–	31.3
Cash and cash equivalents	98.7	–	–	–	–	98.7
	168.2	6.5	–	–	30.4	205.1
Liabilities						
Borrowings	15.6	0.6	0.7	1.8	–	18.7
Lease liabilities	0.6	0.8	1.2	5.6	–	8.2
Trade and other payables excluding taxation	53.2	–	–	–	–	53.2
	69.4	1.4	1.9	7.4	–	80.1
At 31 December 2023						
Assets						
Equity investments at fair value through other comprehensive income	–	–	–	–	*30.6*	*30.6*
Money market investments at fair value through profit or loss	–	*6.5*	–	–	–	*6.5*
Debt investments at amortised cost	*1.0*	–	–	–	–	*1.0*
Trade and other receivables excluding prepayments	*38.4*	*2.7*	–	–	–	*41.1*
Cash and cash equivalents	*47.9*	–	–	–	–	*47.9*
	87.3	*9.2*	–	–	*30.6*	*127.1*
Liabilities						
Borrowings	*18.6*	*0.4*	*1.0*	*1.9*	–	*21.9*
Lease liabilities	*2.2*	*1.3*	*2.1*	*5.7*	–	*11.3*
Trade and other payables excluding taxation	*49.2*	–	–	–	–	*49.2*
	70.0	*1.7*	*3.1*	*7.6*	–	*82.4*

Included in borrowings due in less than 1 year is £15.0 million (2023: £14.0 million) repayable on demand.

47 Subsidiary undertakings

The subsidiary undertakings of the Group at 31 December 2024, are set out below and are wholly owned and incorporated in Great Britain unless otherwise stated. The holdings are in ordinary shares or equivalent unless otherwise stated.

	Principal country of operation	Registered Office
Agriculture		
Amgoorie India Limited (Incorporated in India - 99.8 per cent. holding)	India	*(ii)*
Amo Tea Company Limited	Bangladesh	*(i)*
Bardsley & Sons Limited (in liquidation)	UK	*(i)*
Bardsley Fruit Enterprises Limited (in liquidation)	UK	*(i)*
Bardsley Fruit Farming Limited (in liquidation)	UK	*(i)*
Bardsley HiCo Limited (in liquidation)	UK	*(i)*
Bardsley Horticulture Limited (in liquidation)	UK	*(i)*
C.C. Lawrie Comércio e Participacões Ltda. (Incorporated in Brazil)	Brazil	*(vi)*
Chittagong Warehouse Limited (Incorporated in Bangladesh - 93.3 per cent. holding)	Bangladesh	*(vii)*
Duncan Brothers Limited (Incorporated in Bangladesh)	Bangladesh	*(vii)*
Eastern Produce Cape (Pty) Limited (Incorporated in South Africa)	South Africa	*(viii)*
Eastern Produce Estates South Africa (Pty) Limited (Incorporated in South Africa - held by Eastern Produce South Africa (Pty) Limited)	South Africa	*(ix)*
Eastern Produce Kenya Limited (Incorporated in Kenya – 70.0 per cent. holding)	Kenya	*(x)*
Eastern Produce Malawi Limited (Incorporated in Malawi– 73.2 per cent. holding)	Malawi	*(xii)*
Eastern Produce Regional Services Limited (Incorporated in Kenya)	Kenya	*(x)*
Eastern Produce South Africa (Pty) Limited (Incorporated in South Africa – 73.2 per cent. holding)	South Africa	*(ix)*
Eastland Camellia Limited (Incorporated in Bangladesh - 93.8 per cent. holding)	Bangladesh	*(vii)*
EP(T) East Africa Limited (Incorporated in Tanzania)	Tanzania	*(xv)*
Goodricke Group Limited (Incorporated in India - 74.0 per cent. holding)	India	*(iii)*
Goodricke Technical and Management Services Limited (Incorporated in India - 99.8 per cent. holding)	India	*(iii)*
Kakuzi Plc (Incorporated in Kenya – 50.7 per cent. holding)	Kenya	*(xi)*
Koomber Tea Company Limited (Incorporated in India)	India	*(iv)*
Jing Tea Limited*	UK	*(i)*
Newmafruit Limited (in liquidation)	UK	*(i)*
Octavius Steel & Company of Bangladesh Limited (Incorporated in Bangladesh)	Bangladesh	*(vii)*
Robertson Bois Dickson Anderson Limited	UK	*(i)*
Stewart Holl (India) Limited (Incorporated in India - 92.0 per cent. holding)	India	*(v)*
Surmah Valley Tea Company Limited	Bangladesh	*(i)*
The Allynugger Tea Company Limited	Bangladesh	*(i)*
The Chandpore Tea Company Limited	Bangladesh	*(i)*
The Lungla (Sylhet) Tea Company Limited	Bangladesh	*(i)*
The Mazdehee Tea Company Limited	Bangladesh	*(i)*
Victoria Investments Limited (Incorporated in Malawi– 73.2 per cent. holding)	Malawi	*(xii)*
Zetmac (Pty) Limited (Incorporated in South Africa - 55.8 per cent. held by Eastern Produce Estates South Africa (Pty) Limited)	South Africa	*(ix)*
Engineering		
AJT Engineering Limited	UK	*(xiii)*

*During the year, the Group acquired the remaining 5% non-controlling interest for £0.3 million.

47 Subsidiary undertakings *(continued)*

	Principal country of operation	Registered Office
Investment Holding		
Assam-Dooars Holdings Limited	UK	*(i)*
Assam Dooars Investments Limited	UK	*(i)*
Associated Fisheries Limited	UK	*(i)*
Borbam Investments Limited (Incorporated in India - 99.8 per cent. holding)	India	*(iii)*
Bordure Limited	UK	*(i)*
British Indian Tea Company Limited	UK	*(i)*
Dejoo Tea Company Limited	UK	*(i)*
Duncan Properties Limited (Incorporated in Bangladesh)	Bangladesh	*(vii)*
Eastern Produce Investments Limited	UK	*(i)*
Elgin Investments and Trading Limited (Incorporated in India - 99.8 per cent. holding)	India	*(iii)*
Endogram Limited	India	*(iii)*
The Endogram Tea Company Limited	UK	*(i)*
Jhanzie Tea Association Ltd	UK	*(i)*
John Ingham & Sons Limited	UK	*(i)*
Koomber Properties Limited (Incorporated in India - 94.0 per cent. holding)	India	*(iii)*
Lawrie (Bermuda) Limited (Incorporated in Bermuda) (company dissolved on 10 March 2025)	Bermuda	*(xv)*
Lawrie Group Plc (Owned directly by the Company)	UK	*(i)*
Lawrie International Limited (Incorporated in Bermuda)	Bermuda	*(xiv)*
Lebong Investments Limited (Incorporated in India - 94.0 per cent. holding)	India	*(iii)*
Linton Park Plc (Owned directly by the Company)	UK	*(i)*
Lintak Investments Limited (Incorporated in Kenya)	Kenya	*(x)*
Longbourne Holdings Limited	Bangladesh	*(i)*
Plantation House Investments Limited (Incorporated in Malawi - 50.2 per cent. held by subsidiaries)	Malawi	*(xii)*
The Harmutty Tea Company Limited	UK	*(i)*
Unochrome Industries Limited	UK	*(i)*
Western Dooars Investments Limited	UK	*(i)*
Western Dooars Tea Holdings Limited	UK	*(i)*
Other		
Duncan Products Limited (Incorporated in Bangladesh)	Bangladesh	*(vii)*
Hobart Place Nominees Limited	UK	*(i)*
Linton Park Services Limited	UK	*(i)*
Dormant companies		
Alex Lawrie & Company Limited	UK	*(i)*
Amgoorie Investments Limited	UK	*(i)*
Associated Fisheries (Europe) Limited	UK	*(i)*
Banbury Tea Warehouses Limited	UK	*(i)*
Black Gold Oil Tools Limited (in liquidation)	UK	*(xiii)*
Blantyre & East Africa Limited	UK	*(xii)*
Blantyre Insurance & General Agencies Limited (Incorporated in Malawi – Eastern Produce Malawi Limited)	Malawi	*(xii)*
Bonathaba Farms (Pty) Limited (Incorporated in South Africa)	South Africa	*(viii)*
British African Tea Estates (Holdings) Limited	UK	*(i)*
British African Tea Estates Limited	UK	*(i)*
British United Trawlers Limited	UK	*(i)*
BUT Engineers (Grimsby) Limited	UK	*(i)*
Camellia Investments Limited	UK	*(i)*
Chisambo Holdings Limited	UK	*(i)*
Chisambo Tea Estate Limited	UK	*(i)*
Cholo Holdings Limited	UK	*(i)*

47 Subsidiary undertakings *(continued)*

	Principal country of operation	Registered Office
Dormant companies *(continued)*		
Craighead Investments Limited	UK	*(i)*
David Field Limited	UK	*(i)*
East African Tea Plantations Limited (Incorporated in Kenya – held by Eastern Produce Kenya Limited)	Kenya	*(x)*
Eastern Produce Africa Limited	UK	*(i)*
Eastern Produce Kakuzi Services Limited (Incorporated in Kenya – held by Kakuzi Limited)	Kenya	*(x)*
EP (RBDA) Limited (Incorporated in Malawi – Eastern Produce Malawi Limited)	Malawi	*(xii)*
Estate Services Limited (Incorporated in Kenya – held by Kakuzi Limited)	Kenya	*(xi)*
Goodricke Lawrie Consultants Limited	UK	*(i)*
Gotha Tea Estates Limited	UK	*(i)*
Hamstead Village Investments Limited	UK	*(i)*
Hellyer Bros Limited	UK	*(i)*
Horace Hickling & Co. Limited	UK	*(i)*
Humber - St. Andrew's Engineering Company Limited	UK	*(i)*
Isa Bheel Tea Company Limited	UK	*(i)*
Jatel Plc	UK	*(i)*
Jetinga Holdings Limited	UK	*(i)*
Jetinga Valley Tea Company Limited	UK	*(i)*
Kaguru EPZ Limited (Incorporated in Kenya – held by Kakuzi Limited)	Kenya	*(xi)*
Kapsumbeiwa Factory Company Limited	UK	*(i)*
Kip Koimet Limited (Incorporated in Kenya – held by Eastern Produce Kenya Limited)	Kenya	*(x)*
Kumadzi Tea Estates Limited	UK	*(i)*
Lankapara Tea Company Limited	UK	*(i)*
Lawrie Plantation Services Limited	UK	*(i)*
Nasonia Tea Company Limited (Incorporated in Malawi)	Malawi	*(xii)*
Octavius Steel & Company (London) Limited	UK	*(i)*
Rosehaugh (Africa) Limited	UK	*(i)*
Ruo Estates Limited	UK	*(i)*
Ruo Estates Holdings Limited	UK	*(i)*
Sandbach Export Limited	UK	*(i)*
Sapekoe Pusela (Pty) Limited (Incorporated in South Africa - held by Eastern Produce South Africa (Pty) Limited)	South Africa	*(ix)*
Silverthorne-Gillott Limited	UK	*(i)*
S.I.S. Securities Limited	UK	*(i)*
Sterling Industrial Securities Limited	UK	*(i)*
Stewart Holl Investments Limited	UK	*(i)*
The Amgoorie Tea Estates Limited	UK	*(i)*
The Bagracote Tea Company, Limited	UK	*(i)*
The Ceylon Upcountry Tea Estates Limited	UK	*(i)*
The Dhoolie Tea Company Limited	UK	*(i)*
The Doolahat Tea Company Limited	UK	*(i)*
The Eastern Produce and Estates Company Limited	UK	*(i)*
The Kapsumbeiwa Tea Company Limited	UK	*(i)*
Longai Valley Tea Company Limited	UK	*(i)*
The Tyspane Tea Company Limited	UK	*(i)*
Thyolo Highlands Tea Estates Limited	UK	*(i)*
Vaghamon (Travancore) Tea Company Limited	UK	*(i)*
Walter Duncan & Goodricke Limited	UK	*(i)*
WDG Properties Limited	UK	*(i)*

47 Subsidiary undertakings *(continued)*

Summarised financial information on subsidiaries with material non-controlling interests

Summarised balance sheet

	Eastern Produce Kenya Limited as at 31 December		Eastern Produce Malawi Limited as at 31 December	
	2024 £'m	*2023 £'m*	2024 £'m	*2023 £'m*
Current				
Assets	14.8	*18.5*	13.8	*12.4*
Liabilities	(12.1)	*(13.2)*	(8.9)	*(10.7)*
Total current net assets	2.7	*5.3*	4.9	*1.7*
Non-current				
Assets	30.8	*26.0*	14.8	*15.2*
Liabilities	(5.5)	*(4.9)*	(4.3)	*(4.8)*
Total non-current net assets	25.3	*21.1*	10.5	*10.4*
Net assets	28.0	*26.4*	15.4	*12.1*

	Eastern Produce South Africa Limited as at 31 December		Goodricke Group Limited as at 31 December	
	2024 £'m	*2023 £'m*	2024 £'m	*2023 £'m*
Current				
Assets	1.6	*3.2*	31.6	*34.6*
Liabilities	(5.9)	*(5.9)*	(26.2)	*(30.3)*
Total current net (liabilities)/assets	(4.3)	*(2.7)*	5.4	*4.3*
Non-current				
Assets	9.6	*9.1*	32.9	*33.8*
Liabilities	(1.9)	*(2.0)*	(11.1)	*(10.0)*
Total non-current net assets	7.7	*7.1*	21.8	*23.8*
Net assets	3.4	*4.4*	27.2	*28.1*

47 Subsidiary undertakings *(continued)*

	Kakuzi Plc as at 31 December 2024 £'m	Kakuzi Plc as at 31 December *2023 £'m*
Current		
Assets	16.4	*17.0*
Liabilities	(1.5)	*(1.7)*
Total current net assets	14.9	*15.3*
Non-current		
Assets	25.7	*20.8*
Liabilities	(7.8)	*(6.5)*
Total non-current net assets	17.9	*14.3*
Net assets	32.8	*29.6*

Summarised income statement

	Eastern Produce Kenya Limited for year ended 31 December 2024 £'m	Eastern Produce Kenya Limited for year ended 31 December *2023 £'m*	Eastern Produce Malawi Limited for year ended 31 December 2024 £'m	Eastern Produce Malawi Limited for year ended 31 December *2023 £'m*
Revenue	37.3	*42.5*	34.3	*28.1*
Profit/(loss) before tax	3.6	*13.2*	(0.7)	*(1.3)*
Taxation	(1.2)	*(4.0)*	(0.2)	*0.3*
Other comprehensive income/(expense)	4.5	*(6.0)*	(0.2)	*(9.1)*
Total comprehensive income/(expense)	6.9	*3.2*	(1.1)	*(10.1)*
Total comprehensive income/(expense) allocated to non-controlling interests	2.1	*1.0*	(0.3)	*(2.7)*
Dividends paid to non-controlling interests	1.6	*1.2*	–	–

47 Subsidiary undertakings *(continued)*

	Eastern Produce South Africa Limited for year ended 31 December		Goodricke Group Limited for year ended 31 December	
	2024	*2023*	2024	*2023*
	£'m	*£'m*	£'m	*£'m*
Revenue	4.1	*4.3*	87.5	*78.6*
Loss before tax	(1.4)	*(2.3)*	(1.4)	*(5.9)*
Taxation	0.4	*1.3*	0.1	*0.3*
Other comprehensive (expense)/income	–	*(0.9)*	0.4	*(2.4)*
Total comprehensive expense	(1.0)	*(1.9)*	(0.9)	*(8.0)*
Total comprehensive expense allocated to non-controlling interests	(0.3)	*(0.5)*	(0.2)	*(2.1)*
Dividends paid to non-controlling interests	–	*–*	–	*–*

	Kakuzi Plc for year ended 31 December	
	2024	*2023*
	£'m	*£'m*
Revenue	27.8	*31.0*
(Loss)/profit before tax	(1.0)	*5.2*
Taxation	0.2	*(1.6)*
Other comprehensive income/(expense)	6.6	*(10.0)*
Total comprehensive income/(expense)	5.8	*(6.4)*
Total comprehensive income/(expense) allocated to non-controlling interests	2.9	*(3.2)*
Dividends paid to non-controlling interests	1.3	*1.3*

47 Subsidiary undertakings *(continued)*

Summarised cash flows

	Eastern Produce Kenya Limited for year ended 31 December 2024 £'m	*2023 £'m*	Eastern Produce Malawi Limited for year ended 31 December 2024 £'m	*2023 £'m*
Cash flows from operating activities				
Cash generated from operations	3.1	*10.3*	2.1	*(3.4)*
Net interest received/(paid)	0.4	*0.6*	(0.7)	*(0.8)*
Income tax (paid)/received	(1.8)	*(3.9)*	(0.7)	*0.8*
Net cash generated from/(used in) operating activities	1.7	*7.0*	0.7	*(3.4)*
Net cash used in investing activities	(0.6)	*(4.8)*	(1.1)	*(0.2)*
Net cash used in financing activities	(5.4)	*(4.2)*	(0.3)	*–*
Net decrease in cash and cash equivalents and bank overdrafts	(4.3)	*(2.0)*	(0.7)	*(3.6)*
Cash, cash equivalents and bank overdrafts at beginning of year	10.7	*13.9*	(1.4)	*1.5*
Exchange (losses)/gains on cash and cash equivalents	(0.1)	*(1.2)*	0.1	*0.7*
Cash, cash equivalents and bank overdrafts at end of year	6.3	*10.7*	(2.0)	*(1.4)*

47 Subsidiary undertakings *(continued)*

	Eastern Produce South Africa Limited for year ended 31 December		Goodricke Group Limited for year ended 31 December	
	2024	*2023*	2024	*2023*
	£'m	*£'m*	£'m	*£'m*
Cash flows from operating activities				
Cash generated from operations	0.1	*0.9*	6.9	*(1.7)*
Net interest paid	(0.6)	*(0.4)*	(1.1)	*(0.9)*
Income tax received	–	*–*	0.1	*0.1*
Net cash generated (used in)/from operating activities	(0.5)	*0.5*	5.9	*(2.5)*
Net cash used in investing activities	(0.5)	*(0.6)*	(1.3)	*(1.2)*
Net cash generated used in financing activities	(0.4)	*(0.3)*	(0.4)	*(0.9)*
Net (decrease)/increase in cash and cash equivalents and bank overdrafts	(1.4)	*(0.4)*	4.2	*(4.6)*
Cash, cash equivalents and bank overdrafts at beginning of year	0.6	*1.3*	(5.5)	*(1.2)*
Exchange gains/(losses on cash and cash equivalents	0.1	*(0.3)*	–	*0.3*
Cash, cash equivalents and bank overdrafts at end of year	(0.7)	*0.6*	(1.3)	*(5.5)*

	Kakuzi Plc for year ended 31 December	
	2024	*2023*
	£'m	*£'m*
Cash flows from operating activities		
Cash generated from operations	11.1	*12.5*
Net interest received	0.4	*0.3*
Income tax paid	(0.3)	*(1.5)*
Net cash generated from operating activities	11.2	*11.3*
Net cash generated used in investing activities	(9.3)	*(9.3)*
Net cash used in financing activities	(2.7)	*(2.7)*
Net decrease in cash and cash equivalents and bank overdrafts	(0.8)	*(0.7)*
Cash, cash equivalents and bank overdrafts at beginning of year	7.0	*9.5*
Exchange gains/(losses) on cash and cash equivalents	0.6	*(1.8)*
Cash, cash equivalents and bank overdrafts at end of year	6.8	*7.0*

47 Subsidiary undertakings *(continued)*

Registered Offices:

(i) Wrotham Place
Bull Lane
Wrotham
Near Sevenoaks
Kent
TN15 7AE
England

(ii) Amgoorie Tea Garden
PO: Amguri
Haloating - 785 681
Dist: Sibsagar
Assam
India

(iii) Camellia House
14 Gurusaday Road
Kolkata - 700019
West Bengal
India

(iv) Koomber Tea Garden
PO: Kumbhir
Cachar - 788 108
Assam
India

(v) Sessa Tea Garden
PO: Dibrugarh - 786001
Dist: Dibrugarh
Assam
India

(vi) Fazenda Maruque s/n sala 03
Bairro Maruque
Itaberá
São Paulo
Brazil

(vii) Camellia House
22 Kazi Nazrul Islam Avenue
Dhaka 1000
Bangladesh

(viii) Slangrivier Road
Slangrivier Plaas
Wellington
7655
South Africa

(ix) 7 Windsor Street
Tzaneen
850
Limpopo Province
South Africa

(x) New Rehema House
Rhapta Road
Westlands
P O Box 45560
GPO 00100
Nairobi
Kenya

(xi) Main Office
Punda Milia Road
Makuyu
P O Box 24
01000 Thika
Kenya

(xii) PO Box 53
Mulanje
Malawi

(xiii) Craigshaw Crescent
West Tullos
Aberdeen
AB12 3TB
Scotland

(xiv) Clarendon House
2 Church Street
Hamilton
Bermuda
HM11

(xv) 3rd Floor
180 Msasani Bay
Msasani
Dar Es salaam
Tanzania

48 Control of Camellia Plc

Camellia Holding AG continues to hold 1,427,000 ordinary shares of Camellia Plc (representing 51.9 per cent. of the total voting rights). Camellia Holding AG is owned by The Camellia Private Trust Company Limited, a private trust company incorporated under the laws of Bermuda as trustee of The Camellia Foundation ("the Foundation"). The Foundation is a Bermudian trust, the income of which is utilised for charitable, educational and humanitarian causes at the discretion of the trustees.

The activities of Camellia Plc and its operating companies (the "Camellia Group") are conducted independently of the Foundation. Stephen Buckland, who is a Director of Camellia Plc and Non-executive Chairman of Goodricke Group Limited (a Camellia Plc subsidiary), is also a director of The Camellia Private Trust Company Limited and the president of the board; he and Simon Turner (Non-executive Chairman of Camellia Plc) are both appointees of the Foundation to the board of Camellia Plc.

While The Camellia Private Trust Company Limited as a trustee of the Foundation maintains its rights as a shareholder, its appointees are in non-executive roles and therefore it has not participated in, and has confirmed to the board of Camellia Plc that it has no intention of participating in, the day to day running of the business of the Camellia Group. The Camellia Private Trust Company Limited has also confirmed its agreement that where any director of Camellia Plc is for the time being connected with the Foundation, such director should not exercise any voting rights as a director of Camellia Plc in relation to any matter concerning the Camellia Group's interest in any assets in which the Foundation also has a material interest otherwise than through Camellia Plc.

49 Related party transactions

Group
During the year the Group paid contributions to the overseas pension and post-employment schemes of £1,358,319 (2023: £2,913,690) and £1,000,000 (2023: £nil) to the UK funded, defined benefit pension scheme.

Company
The Company receives financial and secretarial services from Linton Park Plc, a directly owned subsidiary undertaking. The amount payable for these services for 2024 was £759,953 (2023: £482,304). At 31 December 2024 £2,174,414 (2023: £3,898,008) is owed to Linton Park Plc and is unsecured, interest free and has no fixed terms of repayment.

Amounts due to Lawrie Group Plc, a directly owned subsidiary undertaking of £16,070,522 (2023: £17,824,492) include an unsecured loan note due from Lawrie Group Plc of £4,191,777 (2023: £4,191,777). The company received interest of £167,671 (2023: £167,671) on this unsecured loan note. The remaining balance is unsecured, interest free and has no fixed terms of repayment.

Balances receivable and payable from/to other Group companies at 31 December 2024 amounted to £2,106,553 (2022: £2,202,565) and £193,184 (2023: £193,185) respectively and are unsecured, interest free and have no fixed terms of repayment.

50 Subsequent events

Subsequent to the year end, two properties classified as held for sale have been sold, realising cash proceeds of £6.8 million and a profit before tax of £0.8 million.

On 12 March 2025, Goodricke Group Limited (an Indian subsidiary of Camellia) announced on the Bombay Stock Exchange, the execution of the sale agreement for the transfer of its Chulsa Tea Estate. Gross proceeds are estimated at INR181m (c.£1.7m).

Subsequent to the year end and up to the 15 April 2025, the Company has purchased a further 11,191 of its own shares for a total consideration of £0.5 million and these shares were cancelled.

The US tariffs and potential trade wars announced in April 2025 create some uncertainty due to the primary and secondary impacts on trade and pricing. This effect on the Group is not quantifiable but the Company believes that, due to the limited sales to the US, the impact will not be material.

Appendix 1: UK GHG emissions and energy use data for the year to 31 December

Year	*2024*	*2023*	*2022*	*2021*	*2020*
	UK	*UK*	*UK*	*UK*	*UK*
Reported by		*Restated*	*Restated*	*Restated*	*Restated*
Emissions from combustion of LPG and Natural gas (Scope 1) (tCO_2e)	281	569	802	1,258	1,591
Emissions from combustion of diesel and petrol for transport and onsite combustion (Scope 1) (tCO_2e)	154	323	4,085	4,091	3,744
Emissions from combustion of other fuels (Scope 1) (tCO_2e)	100	491	701	403	88
Emissions from fertilisers, waste, livestock, land use change, and refrigerants (Scope 1) (tCO_2e)	1	6	206	1	13
Emissions from purchase of electricity for own use (Scope 2, location-based) (tCO_2e)	320	1,010	4,168	4,405	5,130
Emissions from purchase of electricity for own use (Scope 2, market-based*) (tCO_2e)	68	759	994	1,171	32
Emissions from purchase of electricity, heat, steam and cooling purchased for own use (Scope 2, location- based) (tCO_2e)	320	1,010	4,168	4,405	5,130
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel** (Scope 3) (tCO_2e)	8	9	10	5	n/a
Total gross Scope 1 and Scope 2 emissions (location-based) (tCO_2e)	856	2,399	9,962	10,158	10,566
Total gross Scope 1 and Scope 2 emissions (market-based) (tCO_2e)	607	2,146	6,784	6,930	5,468
Energy equivalent from combustion of LPG and Natural gas (Scope 1) (GWh)	1.5	3.1	4.3	6.8	8.6
Energy equivalent from combustion of diesel and petrol for transport and onsite combustion (Scope 1) (GWh)	0.7	1.4	17.1	17.4	15.6
Energy equivalent from combustion of other fuels (Scope 1) (GWh)	0.2	1.7	2.5	1.5	0.3
Electricity purchased for own use (Scope 2) (GWh)	1.7	5.1	21.6	21.0	22.0
Energy equivalent from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3) (GWh)	0.1	0.2	0.2	0.0	n/a

* 2020 is the first reporting period for which we reported our Scope 2 market-based emissions.

** 2021 was the first reporting period for which we reported our Scope 3 business travel in rental cars or employee-owned vehicles.

*** Fluctuations in the UK-based operating companies' Scopes 1 and 2 emissions are mainly due to the disposal/closure of operating companies from 2020 – 2024 (including Amfin, ACS&T and Bardsley England).

Outside of Scopes emissions are not reported for UK GHG emissions because the Group's UK businesses do not combust biofuels. Due to lack of availability of data, the Group does not state the emissions from any bioenergy elements of the grid electricity consumed and fossil fuels used for transport and on-site combustion.

Appendix 2: SECR reporting methodology

The scope of the reporting for SECR purposes was determined by including the businesses in which the Group owns majority holdings and/or fully operates.

It includes GHG (Greenhouse Gas) emissions and energy use by businesses that were divested during the reporting period up to the date of transfer of risk and reward pertaining to those businesses. Similarly, it includes businesses that were acquired or sold during the reporting period from the date of transfer of risk and reward pertaining to those businesses. The reporting period aligns with the Group's financial reporting period. The reported figures are an aggregation of emissions and energy consumption by each the Group's operating companies.

The conversion and emission factors used in calculating the Group's Scopes 1, 2 and 3 emissions are as per those published by the UK Department for Business, Energy and Industrial Strategy and the UK Department for Environment, Food and Rural Affairs (Defra), the Intergovernmental Panel on Climate Change (IPCC), which are in line with the GHG Protocol guidance and the Carbon Trust, who obtain their factors from a range of sources, including the International Energy Agency (IEA), Environmentally Extended Input-Output (EEIO) tables, Ecoinvent and internal calculators. The non-UK electricity emission factors are sourced from the IEA for Scope 2 location-based reporting. For Scope 2 market-based reporting, they are sourced directly from the electricity suppliers, where available. For global (excluding UK) market-based emissions in regions where renewable energy certificate (REC) systems are not developed, market-based emission factors are calculated using location-based grid average emission factors. For UK market-based emissions, where supplier specific emission rates could not be determined due to unavailability of data, UK residual mix emission factors were used.

A standardised reporting tool is used to capture the Group's environmental and energy data. Year on year trends in the data are analysed and understood. Where estimates are used these are disclosed and assessed in terms of magnitude as part of the overall data quality.

Every effort is made to ensure the environmental data that we report is accurate. However, should more accurate or complete data be available for prior years, we will restate if it results in a movement in the reported data. We may restate carbon emissions even when there is no change in consumption data, for example, due to corrections to the emissions factors provided by Defra.

The Scope 3 element pertaining to energy use and CO_2e emissions from rental cars or employee-owned vehicles where the company is responsible for purchasing the fuel or where the company reimburses the employee for the fuel has been estimated based on an estimate of the kilometres travelled by employees under this category. We did not estimate this category before 2021 since its share of the Group's total carbon footprint is relatively immaterial.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAMELLIA PLC

Report on the audit of the financial statements

1. Opinion

In our opinion:

- the financial statements of Camellia Plc (the 'Parent company') and its subsidiaries (the 'Group') give a true and fair view of the state of the Group's and of the Parent company's affairs as at 31 December 2024 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB);
- the Parent company financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated and Parent company balance sheets;
- the consolidated and Parent company statements of changes in equity;
- the consolidated and Parent company cash flow statements;
- the accounting policies;
- the related notes 1 to 50 to the consolidated financial statements; and
- the related notes 1 to 50 related to the Parent company financial statements.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law, United Kingdom adopted international accounting standards and IFRSs as issued by the IASB. The financial reporting framework that has been applied in the preparation of the Parent company financial statements is applicable law and United Kingdom adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006.

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group and the Parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

3. Summary of our audit approach

Key audit matters

The key audit matters that we identified in the current year were:

- Revenue recognition; and
- Impairment of intangible assets

Within this report, key audit matters are identified as follows:

- Newly identified
- Increased level of risk
- Similar level of risk
- Decreased level of risk

Materiality

The materiality that we used for the Group financial statements was £1.0m which represents 0.4% of revenue for the year.

Scoping

We consider the principal business units to reflect the components of the Group as this is how management monitor and control the business. Our scope covered 43 components of the Group. Of these, 31 were subjected to the audit of entire financial information whilst the 12 remaining were subject to audit of one or more account balances.

Our scoping provides coverage of 100% of the Group's revenue, 96% of the Group's result before tax and 99% of the Group's net assets.

Significant changes in our approach

Our audit approach is consistent with the previous year with the exception of the following:

- Removal of the previously held for sale associate BF&M Ltd as a key audit matter. The disposal of Camellia's shares in BF&M Ltd in November 2024 has been finalized and completed in the period; and
- Removal of the Goodwill impairment of tea estates in India by Goodricke Group Limited and Amgoorie India Limited as a key audit matter. Following the impairment of the tea estate in the prior year the remaining Goodwill balance is not material.

4. Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the Directors' assessment of the Group's and Parent company's ability to continue to adopt the going concern basis of accounting included:

- assessing the latest cash flow forecasts of the Group to determine whether these are consistent with the forecasts used during the impairment review;
- assessing copies of any existing and new facilities and assessing the Group's cash forecasts against available facilities and the required repayment profiles of debt and interest;
- assessing the facilities and its availability and compliance with covenants;
- testing the accuracy of the Directors' models, including agreement to the most recent Board approved budgets and forecasts;
- evaluating each of the sensitivities adopted by management and assessing downside scenarios of cash headroom over the forecast period by performing our own sensitivity analyses to assess the solvency of the Group over the going concern review period;
- assessing the reasonability of the assumptions that management have used in their cash forecasts;
- evaluating management's assessment of the impact of the new USA tariffs on the Group's operations; and
- assessing the appropriateness of the financial statement disclosures in relation to going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

5. Key audit matters

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 and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1 Revenue Recognition

Key audit matter description

The Group's agricultural operations involve a wide range of customer delivery models, including auction and retail sales. Given the complexity of the Group's operations and the terms of business with buyers, there is a risk of inappropriate timing of revenue recognition around the balance sheet date.

The Group's agricultural revenue is included within Sale of Goods of £241.7m (2023: £255.6m) disclosed in note 2 to the financial statements. Further information regarding the agricultural revenue recognition policy is in the principal accounting policies disclosed in the financial statements.

How the scope of our audit responded to the key audit matter

We have performed the following procedures in response to the key audit matter:

- obtained an understanding of the processes and relevant controls in place to address the risk that revenue is recorded in an inappropriate period;
- assessed commercial arrangements including shipping terms to determine the correct point of revenue recognition of different type of shipments;
- performed analytical procedures on revenue movements to assess whether the revenue is in line with expectations and understanding of the business performance;
- assessed whether revenue was recorded in the correct period by agreeing a sample of revenue transactions during the period either side of the balance sheet date to the relevant terms of business, dispatch or delivery notes as appropriate; and
- Assessed material journal entries that were posted to revenue accounts and obtained supporting evidence to test the appropriateness of revenue recognition

Key observations

From the work performed, we have concluded that the revenue is appropriately recognised in the correct accounting period.

5.2. Impairment of intangible assets

Key audit matter description	The Group holds £4.8m (2023: £4.7m) of intangible assets including £2.1m (2023:£2.1m) allocated to the Jing Tea brand. We have identified a key audit matter in relation to the valuation of the brand relating to Jing Tea Limited. There is a risk that the cash generating unit (CGU) may not achieve the anticipated business performance to support the carrying value, or that the estimated fair value of the CGU may not support the carrying value. This could lead to an impairment charge that has not been recognised by management. The Group's impairment assessment in accordance with IAS 36 *Impairment of Assets* involves fair value less costs to sell calculations which are performed by management. The estimates and assumptions used within the cashflow projections require estimates, including significant assumptions regarding future royalty rates, discount rates and cashflows. Intangible assets are disclosed in note 19 to the financial statements, the valuation is discussed as sources of estimation uncertainty, and the valuation policy is disclosed in the principal accounting policies.
How the scope of our audit responded to the key audit matter	We have performed the following procedures in response to the key audit matter: ▪ obtained an understanding of the processes and relevant controls related to the impairment review of intangible assets; ▪ tested the arithmetical accuracy of the fair value less cost to sell calculations. We evaluated the current year changes to the key assumptions and assessed retrospectively whether prior year assumptions were appropriate; ▪ evaluated the revenue growth assumptions for reasonableness, held meetings with management to understand and assess the growth assumptions within the impairment model; ▪ considered external evidence, such as GDP growth, market reports and order intake, to assess accuracy and reasonableness of management's forecasts; ▪ involved our valuation specialists in evaluating management's discount rates and royalty rates. We benchmarked the discount rate to comparable assets and considered the underlying assumptions based on our knowledge of the Group and its industry; ▪ assessed the accuracy of management's revenue and cash flow projections by comparing historical forecasts with actual cash flows. We assessed whether forecast cash flows were consistent with Board approved forecasts; ▪ performed a sensitivity analysis on the assumptions used within the model as part of our overall evaluation of forecast cash flows and considered the key potential impacts of climate change; and ▪ assessed the appropriateness of the financial statements disclosures in relation to the impairment assessments performed;
Key observations	From the work performed, we have concluded that the Jing Tea brand intangible asset is recognised in accordance IAS 36. In addition, we consider the relevant disclosures to be appropriate.

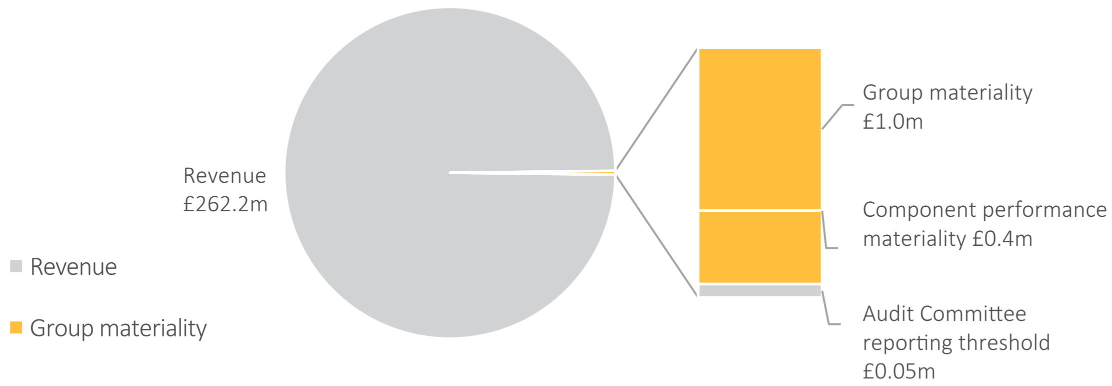
6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent company financial statements
Materiality	£1.00m (2023: £1.14m)	£0.35m (2023: £0.4m)
Basis for determining materiality	0.4% of Revenue (2023: 0.4% of revenue).	2% of net assets, capped at 35% of Group materiality (2023: 2% of net assets, capped at 35% of Group materiality)
Rationale for the benchmark applied	Rationale for the benchmark applied The overall size of the business, demonstrated by revenue, has remained broadly consistent with the prior year therefore we conclude that the basis for materiality was appropriate. Revenue is considered an important benchmark for users to determine growth and performance of the Group.	We have used net assets measure given that the Parent company is a holding company, and does not trade and accordingly generates no revenue.



6.2 Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Parent company financial statements
Performance materiality	70% (2023: 70%) of Group materiality	70% (2023: 70%) of Parent company materiality
Basis and rationale for determining performance materiality	In determining performance materiality, we have considered the following factors: ▪ there have been no changes to the business in their operation or financial reporting process; ▪ the de-centralized nature of the Group and lack of common controls and processes; ▪ the Group has a history of correcting identified misstatements, and the remaining uncorrected misstatements are historically below performance materiality; and ▪ the quality of the control environment, hence the decreased likelihood of significant misstatements occurring.	

6.3. Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £50,000 (2023: £56,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1. Identification and scoping of components

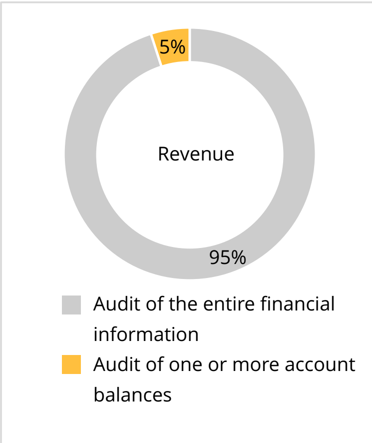
We have adopted a risk-based approach to the audit of the Group financial statements which emphasised the development of a tailored audit plan for each significant account, shifting from the previous approach to focus on individually significant components. The reporting components do not share service centres and controls are designed and implemented at reporting component level independently.

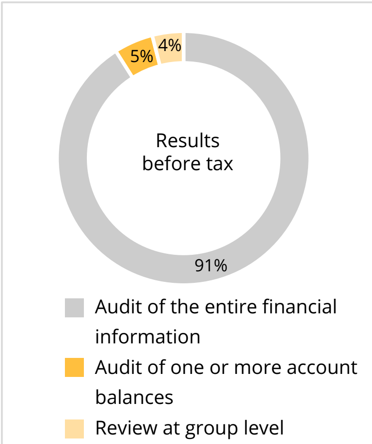
Our scoping consisted of performing a risk-based approach considering both quantitative and qualitative factors to obtain sufficient appropriate audit evidence to address the risk of material misstatement over the Group financial statements. In selecting the components which are in scope for audit procedures to be performed as part of the Group audit, we considered: the inherent risk in each of the markets that the Group operates; the Group's control environment; the significance of identified risks in each of the components; the component's contribution to the Group's revenue, results before tax and net assets; the specific qualitative factors, including external risks, management identified risks; the nature of any acquisitions and disposals within the year; and the importance of introducing variability and unpredictability into our audit scoping.

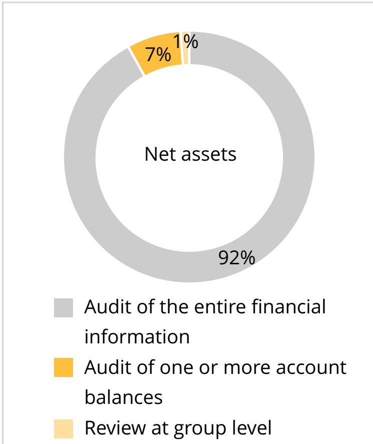
Based on that assessment, we focused our Group audit scope primarily on the audit work at 43 components (2023: 43). 31 were subject to the audit of entire financial information (2023: 34) and 12 were subject to audit of one or more account balances (2023: 9) where the extent of our testing was based on our assessment of the risks of material misstatement and of the materiality of the Group's operations at those locations.

These 43 components represent the principal business units and account for 100% (2023: 100%) of the Group's revenue and 96% (2023: 98%) of the Group's results before tax and 99% (2023: 96%) of the Group's net assets. Our audit work on these components in addition to the Parent company was executed using component performance materiality of £0.35m (35% of Group materiality) (2023: £0.4m (35% of Group materiality)). The remaining components were subject to review at group level.

In addition to the work performed at a component level the Group audit team also performs audit procedures on the Parent Company financial statements including but not limited to corporate activities such as pensions as well as on the consolidated financial statements themselves, including entity level controls, litigation provisions, the consolidation, financial statement disclosures and risk assessment work on components not included elsewhere in the scope of our audit to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information of the remaining components not subject to audit or audit of specified account balances.







7.2. Our consideration of the control environment

Our risk assessment procedures included obtaining an understanding of relevant controls to the audit.

Consistent with previous years, we have obtained an understanding of relevant controls on the following areas:

- revenue recognition;
- financial reporting process; and
- impairment of intangibles.

This covered some of the key accounting and reporting tools that are used by management and the interface between various systems. We have involved our IT specialists to obtain an understanding of the associated general IT controls ("GITCs").

For all components we obtained an understanding of the relevant controls for in scope balances. Where components determined that reliance on controls was appropriate, procedures were designed and performed to evaluate the operating effectiveness of those controls at the component level. We have tested and relied on revenue controls for certain components in India, Kenya, Malawi and Brazil.

7.3. Our consideration of climate-related risks

Management has considered physical risks when factoring in climate change as part of their risk assessment process when considering the principal risks and uncertainties facing the Group. This is set out in the Principal risks and uncertainties section on pages 21 to 28. The areas of the financial statements that are notably impacted by climate-related matters are associated with future forecasts in the medium to long term. From the financial statements' perspective, these risks have been focused on the valuation of intangible assets and Biological assets. This is consistent with our evaluation of the climate-related risks facing the Group and is linked to the key audit matter as highlighted in section 5.2 above, where we have described both the risks related to these assumptions and our audit procedures in relation to the challenge of these assumptions. In addition, we have:

- assessed the key financial statement line items and estimates which are more likely to be materially impacted by climate change risks given the more notable impacts of climate change on the business are expected to arise in the medium to long term.
- challenged how the Directors considered climate change in their assessment on the Group's operations based on our understanding of the business environment and by benchmarking relevant assumptions with market data.

- involved our Environmental Social and Governance (ESG) specialist in challenging the Group's climate risk assessments. ESG specialists were also involved in evaluating the ESG section of the annual report and assessing the Climate-related Financial disclosures (CFD) on pages 29 to 32 against the recommendations of the UK CFD framework.
- read the climate risk disclosures included throughout the corporate governance section of the annual report to consider whether they are materially consistent with the financial statements and our knowledge obtained in the audit.

7.4. Working with other auditors

We engaged component auditors to perform procedures at the scoped-in components under our direction and supervision. We issued detailed instructions to the component auditors and held planning meetings, interim update meetings and year end close meetings with each component team.

We interacted regularly with the component teams during each stage of the audit and reviewed key working papers. In September 2024, we held a group-wide planning meeting, in which we set out the materiality and scoping for component teams, as well as considering significant risks across the Group. We also held planning meetings with each of our specialists, involving our component teams where relevant. We have also continued our component visits on a risk focused and rotational basis to oversee the work performed by our component auditors. We performed site visits in four locations being India, Bangladesh, Kenya and Malawi. The Senior Statutory Auditor or other senior members of the Group audit team performed reviews of the component auditor files.

In conjunction with the on-site visits, frequent calls were held between the Group and component teams throughout the year and remote access to relevant documents was provided. Senior members of the Group audit team were focused on overseeing the role of the component audit teams, so that a consistent audit approach was applied to the operations in the Group's businesses.

The component visits and other communications by the Group audit team were timed to enable us to be involved during the planning and risk assessment process in addition to the execution of detailed audit procedures. During our visits we attended key meetings with component management and auditors, reviewed and challenged component auditor working papers in the underlying audit files and component reporting. In addition, we attended component audit closing calls and other key meetings with management throughout the 2024 audit process. The Senior Statutory Auditor participated in all of the final close meetings of the group's scoped-in components.

8. Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for Directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management, the Directors and the Audit Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Group's sector;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team including component audit teams and relevant internal specialists, including tax, valuations, pensions, ESG and IT specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following area - recognition of revenue. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the. UK Companies Act, pensions legislation and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty. These included the Group's health, safety and environmental regulations (carbon reduction, etc), Bribery Act and employee laws.

11.2. Audit response to risks identified

As a result of performing the above, we identified revenue recognition as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the Audit Committee and in-house legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and component audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the Directors' report.

13. Matters on which we are required to report by exception

13.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of this matter.

13.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of Directors' remuneration have not been made.

We have nothing to report in respect of this matter.

14. Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Makhan Chahal FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP

Statutory Auditor
London, United Kingdom

29 April 2025

FIVE YEAR RECORD

	2024 £'m	2023 £'m *Restated	2022 £'m *Restated	2021 £'m *Restated	2020 £'m
Revenue - continuing operations	262.2	254.2	274.4	246.6	270.1
Profit before tax	–	18.2	11.7	11.5	7.2
Taxation	(4.7)	(5.2)	(12.2)	(2.6)	(8.6)
(Loss)/profit from continuing operations	(4.7)	13.0	(0.5)	8.9	(1.4)
(Loss)/profit from discontinued operations	(0.6)	(14.4)	(8.4)	(4.4)	0.6
(Loss)/profit attributable to owners of the parent	(4.9)	(3.7)	(13.6)	2.3	(5.0)
Equity dividends paid	–	4.0	4.0	5.2	2.8
Equity					
Called up share capital	0.3	0.3	0.3	0.3	0.3
Reserves	308.2	325.5	364.7	388.3	376.3
Total shareholders' funds	308.5	325.8	365.0	388.6	376.6
Earnings/(loss) per share continuing operations	(155.7) p	387.4 p	(188.3) p	242.6 p	(202.8) p
Earnings/(loss) per share continuing and discontinued operations	(177.4) p	(134.0) p	(492.4) p	83.3 p	(181.0) p
Dividend paid per share	–p	146 p	146 p	188 p	102 p

* The comparative figures have been restated following the reclassification of Bardsley as a discontinued operation.