

8 March 2023

Camellia Plc
(the "Company" or the "Group")

Trading update

Further to the trading announcement on 7 December there has been a significant improvement to our expectations for underlying profit before tax for the Group for 2022.

Negotiations on pay in Bangladesh have now concluded resulting in a government mandated payment of Tk11,000 per permanent worker (payable during 2023) and a pay increase of 41.7% effective from the beginning of August 2022. This is a significantly improved outcome than anticipated and will be reflected in our 2022 results.

In addition, trading in our agriculture division in the final quarter of the year has been ahead of our expectations due to:

- Higher net sales prices achieved for India, Bangladesh and Kenya teas
- Better net sales prices for avocados
- Improved net sales prices achieved for both soya and maize
- Tighter control of production and overhead costs across the division
- Offset in part by lower net sales prices for macadamia and Malawi teas.

We also further reduced our head office overhead costs.

Revenue for continuing operations* for 2022 is now expected to be approximately £294 million. As a consequence of the factors set out above, excluding any financial results for BF&M for 2022, the Company now believes that the adjusted profit before tax for continuing operations** for the Group for 2022 will be approximately 10% below the reported adjusted profit before tax for continuing operations (including BF&M share of results for that year) for 2021 which was £8.8 million. This compares very favourably to the Company's previous guidance given on 7 December 2022.

BF&M is expected to announce its results in April 2023 and until that time, as a consequence of the impact of the volatility of equity and bond markets on BF&M's results, it is not possible for Camellia to forecast the likely full year outcome for BF&M with any certainty.

* continuing operations are all operations except for ACS&T which was sold at the end of 2022

** adjusted profit before tax for continuing operations seeks to present an indication of performance for continuing operations which is not impacted by exceptional items or items considered non-operational in nature and for example it excludes impairment charges, gains/losses on disposal of assets and restructuring costs.

This announcement contains inside information for the purposes of the UK Market Abuse Regulation.

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