A GLOBAL GROUP WITH A FOCUS ON AGRICULTURE

OPERATING ACROSS 11 COUNTRIES

LARGEST PRIVATE PRODUCER OF TEA GLOBALLY WITH 59 TEA FACTORIES ACROSS 4 COUNTRIES

LARGEST PRODUCER OF MACADAMIA IN MALAWI

LARGEST PRODUCER OF AVOCADOS IN KENYA

78,000 EMPLOYEES WORLDWIDE
OVERVIEW

- Diversified international group
- Focus on perennial crop production
- World's largest private producer of tea
- Long-term strategy of crop and origin diversification
- Enduring ESG commitment operationally
- Strong balance sheet with substantial net cash resources
2019 STRATEGIC HIGHLIGHTS

- Substantial investment in crop diversification in recent years mitigated weakness in global tea prices
- Completion of acquisitions in India enhanced Assam offering
- Acquisition of land in South Africa and trials of blueberries and avocados in Kenya provides long-term growth potential
- Continued focus on production efficiencies and expense management has helped contain costs
- Commitment to ESG principles remains core to Camellia's ethos
2019 FINANCIAL HIGHLIGHTS

- Revenue from continuing operations was £291.5m (2018: £309.8m)
- Underlying profit before tax for the year was £16.1m (2018: £38.1m)
- Significant net provision releases and one-off items contributed £6.2m of profit (2018: £14.4m gain)
- Strong net cash balance at £82.5m at 31.12.19 (net of loans)
- No final dividend proposed for the year. Therefore, the total dividend payable for 2019 is 42p per share (2018: 142p per share)
OPERATIONAL DIVISIONAL SUMMARY

**AGRICULTURE**
- **SALES**: £239m
  - Change: 3% ↓
- **TRADING PROFIT**: £25m
  - Change: 51% ↓

**FOOD SERVICE**
- **SALES**: £30m
  - Change: 28% ↓
- **TRADING PROFIT**: £1m
  - Change: 50% ↓

**ENGINEERING**
- **SALES**: £22m
  - No change
- **TRADING PROFIT**: Break Even
  - 2018: £1m trading loss
AGRICULTURE DIVISION
TEA

GOODRICKE GROUP
- Record tea volumes in 2019;
  - Impact of the two newly acquired estates
  - Improved volumes from our own estates
- Bought Leaf volumes were broadly stable at 8.2m kg
- Average selling prices were down 2% on 2018
- Packet tea sales up 9% to 11.3m kg

EASTERN PRODUCE KENYA
- Tea production down 15%, driven by very dry start to the year
- Our average auction prices fell by 13% during the year

DUNCAN BROTHERS
- Tea crop up 11%, reflecting;
  - Good weather
  - Replanting and infilling progress
- Teas available from India and higher national production caused our average prices to drop 25%

EASTERN PRODUCE MALAWI
- Second highest crop ever - 20m kg
- Average prices down 14% reflecting the Mombasa tea-auction price trend
AGRICULTURE DIVISION
MACADAMIA

MALAWI

- Volumes up 6% on 2018
- Using drone technology to support tree and soil health assessment and improvement

SOUTH AFRICA

- Volumes up 7% on 2018
- Acquisition of a 466Ha farm to be developed into macadamia and avocado orchards

KENYA

- Production volumes up 36% on 2018 as the orchards continue to mature
- Developments included the installation of optical sorting technology at the processing plant

PRICING

- Macadamia prices remained firm averaging 4% higher than 2018 despite increased global supply
AGRICULTURE DIVISION
AVOCADO & BLUEBERRIES

KAKUZI – AVOCADO

- Production down 35% - an “off” year
- Very firm pricing, >150% up on 2018

EPK

- 23Ha trial near Kitale, now into its third year, continues

KENYA

KAKUZI – BLUEBERRIES

- Promising initial harvest in September 2019 of 4 tons
- If the first main crop, which is expected in autumn 2020 is successful there are substantial areas of Kakuzi that could be developed

KENYA
**AGRICULTURE DIVISION**

**SPECIALITY CROPS**

**PISTACHIOS, ALMONDS & CITRUS**
- USA
  - Citrus volumes up 77% on last year but prices 40% lower due to market oversupply
  - 2019 was an off year for our pistachios so production was low
  - Almond volumes were 18% up as the orchards continue to mature; prices remained firm in line with previous year

**BRAZIL & KENYA**
- Forestry
  - Production of Eucalyptus in Brazil doubled reflecting increased demand from the paper industry
  - Kakuzi saw a 30% increase in production of forestry products for the Kenyan market

**SOYA & MAIZE**
- BRAZIL
  - The farm continues to generate good profits
  - Soya harvest volumes slightly down (1%) on last year, however prices up 8%
  - Both the maize and oat crops suffered from pest and disease attacks and the wheat from unexpected frosts in July

**USA**
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- 2019 was an off year for our pistachios so production was low
- Almond volumes were 18% up as the orchards continue to mature; prices remained firm in line with previous year

**WINE GRAPES**
- SOUTH AFRICA
  - Volumes up 24% but sales slow
  - 11Ha of vines were replanted bringing the total planted area to 84Ha
NON-AGRICULTURE DIVISIONS

AJT
- Sales up 15% as the strategy to increase utilisation and diversify into other parts of the energy sector continued to pay off

AMFIN AND ATFIN
- Both had a difficult year reflecting issues in the aerospace supply chain and concerns over Brexit
- Revenues were down 9% with a consequent impact on profitability

ACS&T
- Reduced profitability from lower revenue as production issues at its major customer saw storage volumes fall significantly over the summer

JING TEA
- Revenue up 27%
- Jing opened its first retail store in St Christopher’s Place, London in November 2019; currently closed

BF&M
- Gross premiums written increased 12% driven by increased property premiums in Caribbean and higher annuity premiums but was adversely impacted by two major hurricanes
- Our share of BF&M’s result for the year was £3.6m (2018: £6.5m)

UNITED FINANCE & UNITED INSURANCE
- Performed in line with expectations

INVESTMENT PORTFOLIO
- Market value at 31 December 2019 of £47.0m (2018: £39.6m)

INVESTMENT PROPERTIES
- Optimisation of portfolio continues

COLLECTIONS
- A number of minor additions and disposals were made
COVID-19 IMPACT*

- Tea – substantial impact on production in India. Expect to lose the majority of high margin first flush crop and significant proportion of second flush crop
- Other Agriculture – extent of impact on production, distribution, demand and market access remains unclear
- Engineering – operating at close to normal but concern about demand in H2
- Food Service – reduced demand for transport services expected to result in significantly lower H1 profits. Recovery for both businesses dependent on resumption of hospitality and food service sectors

* As at 27 April 2020 trading update
DEALING WITH COVID - 19

- Camellia people – welfare and safety a top priority
- Community action – Camellia manages over 100 hospitals and clinics in some of the world’s poorest countries. Where possible, these are now being used for the benefit of the whole community
- Focus on cash conservation by reducing costs where ever possible
- Continue to work closely with our buyers, logistics partners, suppliers and other stakeholders to manage the impact of restrictions on our businesses and communities
- Where relevant our UK businesses have utilised the UK Government’s Coronavirus Job Retention Scheme
OUTLOOK

- The impact of Covid-19 on the Group remains unclear

- Key updates:
  - Expect to lose first flush and large part of the second flush in India as a result of the lockdown
  - Overall tea prices during Q1 poor, but some recent signs of increased demand and prices
  - Dry weather in Malawi and South Africa during Q4 2019 expected to reduce 2020 macadamia crop
  - Engineering businesses operating broadly as normal, concern over H2 end market demand
  - Reduced demand for ACS&T’s transport services
  - Jing Tea trading at substantially reduced level

- Overall outlook – 2020 results likely to be very substantially below those of 2019
THE FUTURE

- Successful focus on long term perennial crop production
- The world's largest private producer of tea
- Investment in crop, product and origin diversification in Agriculture
- Capitalising on increasing demand from an urbanising, longer living, more health conscious population
- Enduring ESG commitment
- Strong balance sheet with substantial net cash resources