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

78,000 EMPLOYEES WORLDWIDE
OVERVIEW

- Diversified international group
- Focus on long term perennial crop production
- Additional activities in engineering, food service and investments
- World's largest private producer of tea
- Strong ESG commitment operationally and through majority shareholder (Camellia Foundation)
- Substantial asset backing; net cash balance of £81m
- Over 40 years of dividend growth

Nandi Hills, Eastern Produce Kenya
H1 2019 STRATEGIC HIGHLIGHTS

- Completed the acquisition of two tea estates in Assam
- Signed an agreement to acquire a 466Ha farm in SA
- Further investments in Agriculture:
  - Trial of blueberries at Kakuzi in Kenya is progressing well
  - The Simpson dam wall and spillway project at our Mambedi estate in SA is now completed
  - Trial planting of avocado near Kitale in Kenya continues with encouraging early results
  - Continue to make progress with registration of the land purchase in Tanzania
- Successful launch of Camellia’s first ESG report
H1 2019 FINANCIAL HIGHLIGHTS

- The oversupply of tea at the end of 2018 has had a direct impact on global tea prices and hence on the revenues and profitability of our tea operations in the first half

- Sales from continuing operations £117m (6 months to June 2018: £128m)

- Results benefited from significant provision releases of £8m

- Underlying loss from continuing operations £4m (6 months to June 2018: profit £6m)

- Net cash of £81m (June 2018: £87m) (after loans)

- Equity attributable to owners of Camellia Plc of £401m (June 2018: £379m)

- Interim dividend increased by 5% to 42p per share
OPERATIONAL DIVISIONAL SUMMARY

**AGRICULTURE**
- **SALES** £91m
  - 6% ↓
- **TRADING PROFIT**
  - £2m*
  - 64% ↓
* Including £8m provision release

**FOOD SERVICE**
- **SALES** £16m
  - 25% ↓
- **TRADING PROFIT**
  - £1m

**ENGINEERING**
- **SALES** £11m
  - 8% ↑
- **TRADING LOSS**
  - £0.3m
  - 67% ↓
AGRICULTURE DIVISION
TEA

GOODRICKE GROUP
- Production was 23% ahead of last year, helped by good rainfall and a significant increase in Bought Leaf production
- Average prices were 8% lower than last year

KAKUZI & EASTERN PRODUCE KENYA
- Production (including smallholder & managed client volumes) was 25% below that of last year as a result of the drier weather
- Volumes in Mombasa have continued at record levels for much of this calendar year due to large stocks from last year, resulting in a 17% reduction in average prices

DUNCAN BROTHERS
- Production was up by 29% due to the combination of the increase in our maturing young tea areas and benign weather conditions
- Average prices were 5% below last year
- Prices for new season teas continue to be significantly lower than in 2018 due to high levels of national production and imports

EASTERN PRODUCE MALAWI
- Production (including smallholder volumes) was similar to 2018
- Average prices were 13% lower than for the same period last year
- Prices continue to be at these lower levels
AGRICULTURE DIVISION
MACADAMIA

MALAWI

- Eastern Produce Malawi
  - 2018 volumes of 472 tonnes
  - Immature hectares of 212 Ha (14% as % of total)

KENYA

- Eastern Produce South Africa
  - 2018 volumes of 429 tonnes
  - Immature hectares of 301 Ha (26% as % of total)

KAKUZI

- 2018 volumes of 229 tonnes
- Immature hectares of 447 Ha (43% as % of total)

H1 2019 VOLUMES & PRICING

- Our combined macadamia harvest has been better this year with volumes estimated at 6% higher than in 2018
- Prices in the market are ahead of those seen last year and appear to be holding at this stage
Production volumes from our own avocado orchards were 8% below last year but average prices have been higher.

As we now move into our main Hass cropping season, we have seen the market rise significantly due to the lower volumes of production entering Europe from Peru and South Africa.

Our 10Ha trial of is progressing well and we anticipate the first harvest in Q4 of 2019.
Prices for natural rubber have declined in the first half, and the business remains loss-making albeit cash generative.

In California, our Murcott volumes were more than twice those of last year and volumes of Navels were up 15%.

Our average citrus prices have been 40% lower.

This is an 'off' year for pistachios.

Soya in Brazil has done well, but our maize and oat crops have been adversely impacted by pest and fungal infections.

Wine grape production volumes were up 24% on those in the same period of 2018, which was adversely impacted by the drought in the Western Cape region.

Sales however, were significantly lower in the first half.
NON-AGRICULTURE DIVISIONS

AJT
- AJT Engineering continues to improve with the recovery of the oil sector and the development of the Site Services division
- Revenue was up 21% on the same period last year

AMFIN AND ATFIN
- Revenue was 6% below that of the equivalent period last year. Brexit stockpiling by customers in Q1 followed by uncertainty in the market, led to overall lower sales volumes

ACS&T
- In the first half ACS&T traded in line with expectations but has seen weaker trading since

JING TEA
- Jing Tea is operating in line with expectations as we continue to invest in the brand and to grow the business

ASSOCIATES
- Our share of profits from associates is estimated at £3.3 million (H1 2018: £2.2 million) reflecting significantly improved results at BF&M in Q1
- BF&M’s improved results in Q1 were due to the strong performance of its Property and Casualty and Life and Health businesses

INVESTMENTS
- Now valued at £43.5 million (31 December 2018: £39.6 million) largely due to strong equity markets and the falling value of Sterling
THE FUTURE

H2 2019
▪ Given that the majority of our agricultural production and sales take place in the second half of the year and the difficulty in predicting tea prices in the current market, it is not possible to give meaningful guidance for the full year

Longer term
▪ Focus on achieving efficiencies and improving our existing operations

▪ Emphasis on crop, product and origin diversification in Agriculture

▪ Consider investment opportunities in value addition Agriculture and/or primary production

▪ Selective investments elsewhere in the Group

▪ Maintain our strong group ethos around ESG and ensure our produce is accredited to the highest standards
SUMMARY

- Significant strategic and financial progress
- Successful focus on long term perennial crop production
- The world's largest private producer of tea
- Capitalising on increasing demand from an urbanising, longer living, more health conscious population
- Business portfolio realignment largely complete
- Strong ESG commitment operationally and through majority shareholder (Camellia Foundation)
- Substantial asset backing and long term record of dividend growth