

1 April 2020

Camellia Plc (the "Company")

Trading update

As a result of the current and rapidly changing developments relating to the COVID-19 virus outbreak, Camellia Plc is issuing an update on trading.

People

First, we would like to thank all of our staff around the world for their continuing support. Many of our businesses are in the food sector and deemed essential by national governments and therefore it is important that they continue operations wherever possible, whilst complying with local safety and hygiene protocols.

Trading

Agriculture

As of today, all of our agricultural operations have been working close to normal with the exception of India. On 24 March, the Indian Government announced a national shut down which included all tea estates. Were this shut down to continue for another two weeks, it is likely to lead to a hiatus of a minimum of five weeks before plucking can recommence, which will result in the loss of the majority of the lucrative 'first flush' season.

Our agricultural operations outside India continue to operate broadly as usual, although working practices have been changed, sometimes substantially, to ensure social distancing and access to sanitation equipment. Many restrictions have been put in place on non-essential workers, internal travel, international borders, etc. in almost every country, the implications of which have yet to manifest themselves fully but are likely to cause further disruption in the weeks and months ahead.

Engineering

Our engineering businesses are also operating at close to normal. However, the possibility of increasing sickness and more stringent restrictions on working means we expect that some or all plants may be forced to close.

Food Service

ACS&T continues to operate its cold stores although the refrigerated transport business has seen reduced volumes. Given its position in the food supply chain, we will ensure that operations are maintained for as long as possible.

Jing Tea (2019 Revenue £4.2 million) has been severely impacted by the downturn in tourism and retail globally.

Financial Position

The Group has a strong balance sheet with substantial cash liquidity which amounted to £86.7m in cash and money market deposits net of borrowings as at 31 December 2019. Notwithstanding this, all of our businesses have put in place contingency plans both against the impacts of the virus and also to conserve cash wherever possible by delaying or cancelling non-critical expenditure. Your Board has therefore decided that it would be inappropriate to recommend any additional dividends until we get clarity on the situation. Once we have this clarity and if circumstances so justify, we will declare a special dividend alongside the interim dividend.

The results for the year ended 31 December 2019 along with the Annual Report were due to be published on 8 April. However, given the additional audit requirements resulting from the virus outbreak, and the practical difficulties that some of our overseas subsidiaries are having in providing data, they will now be delayed. We will update shareholders about this and the timing and format of the AGM in due course.

The situation is developing rapidly and the Company will make further announcements when appropriate on the matters above when their impact is more certain.

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014.

Enquiries

Camellia Plc

Tom Franks, CEO
Susan Walker, CFO

01622 746655

Panmure Gordon

Nominated Adviser and Broker
Emma Earl
Erik Anderson

020 7886 2500

Maitland/ammo

PR
William Clutterbuck

07785 292617