

3 June 2021

AGM Trading Statement

Camellia Plc (the "Company")

Camellia Plc (CAM.L) has today issued the following update on trading in the year to date.

Trading

Agriculture We are pleased that, despite the pandemic, all of our agricultural operations continue to operate. However, the Covid situation in India remains deeply concerning despite the extensive efforts made locally to keep all our staff safe, including restricting workforce deployment to 50% in West Bengal. Very dry conditions across northern India and Bangladesh to date have also resulted in reduced production which in turn has led to improved prices over the same period last year. However, following the recent elections, wage increases in Assam (backdated to 23 February 2021) have been agreed at 22.75% which is substantially more than the industry was anticipating. Productivity improvements and other cost reduction measures are being explored but the benefit of these may not arise until next year. As a result, the combined impact is a reduction in operating profits in 2021 of approximately £1 million. In Bangladesh there is now some indication that demand may be adversely impacted due to continuing Covid restrictions and this is expected to result in some pricing pressure in the coming months. In Kenya, whilst not quite at 2020's record levels, benign weather is resulting in very high volumes of tea and consequent weakness in auction prices which remain marginally behind 2020. In Malawi, both tea volumes and prices are ahead of 2020 as previously reported.

The harvest for our Hass avocado crop has started, with early indications that volumes will be up on last year but that pricing may be under pressure in what is anticipated to be a well supplied summer market in Europe.

Our macadamia operations continue to harvest and process their production with volumes expected to be higher than last year although as previously indicated, in Malawi pest damage has been experienced and indications are that this is more extensive than previously expected. The kernel market is active with both demand and prices improving.

Our remaining agricultural businesses are trading well, with our farming operation in Brazil seeing very high soya yields being sold into a strong market.

Non-agriculture Our non-agriculture businesses in the UK have had a difficult start to the year with the continuing restrictions hitting retail and food service. We are optimistic that as the restrictions continue to ease, trading in these businesses will improve. Aerospace also remains very quiet and we now anticipate no improvement in performance for the remainder of the year.

Outlook

Whilst there are signs that normality is returning in some regions, the speed and intensity at which the pandemic has re-emerged in India demonstrates the need for continued vigilance. We have a very strong financial position and believe that over the long-term demand for our agricultural produce will continue to rise. As always, our financial results remain largely dependent on Agriculture where the majority of harvesting, and hence sales, takes place in the second half of the year. It is therefore too early to give a firm indication of the likely results for 2021 however the

factors discussed above suggest the results for the year will be approximately £2 million below market expectations.

The Board of Camellia is also very much aware of the recent share price performance, which it believes is largely driven by the weakness in tea prices globally. Whilst there is little we can do regarding the tea price, a programme is being undertaken to review all non-core investments and other options with a view to maximising value for the Group and reducing UK costs. Additional detail will be issued in due course and as appropriate.

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

Enquiries

Camellia Plc 01622 746655
Tom Franks, CEO
Susan Walker, CFO

Panmure Gordon 020 7886 2500
Nominated Adviser and Broker
Emma Earl
Erik Anderson

Maitland/AMO
PR
William Clutterbuck 07785 292617