CAMELLIA PLC

INTERIM RESULTS

Camellia Plc (AIM:CAM) announces its interim results for the six months ended 30 June 2021.

Malcolm Perkins, Chairman of Camellia, stated:

"As anticipated, the first half of 2021 has been exceptionally challenging operationally. Increased tea production and improved pricing in India and Bangladesh helped offset the impact of the oversupply of tea in Kenya and higher wages in Assam. The pandemic continues to have a direct impact on our engineering and food services businesses in the UK.

Notwithstanding these challenges, we have made good strategic progress, particularly with the acquisition of Bardsley England and the sale of our aerospace businesses.

Once again I should like to thank all our staff across the world for their continuing contributions both to the business and their local communities in extremely difficult circumstances."

Operational highlights

- Tea production up 5% with strong performances and increased average prices in India and Bangladesh offset by declines in African prices and the margin impact from the significant Assam wage increases
- Macadamia production volumes expected to be up 20% though average selling prices are lower
- Avocado production expected to be significantly lower than last year though prices are expected to be marginally better
- Speciality crops generally enjoyed a strong first half
- Mixed performance from other businesses with improved results from Associates offset by increases in losses in Engineering and Food Service

Strategic highlights

- Acquisition in July of an 80% interest in Bardsley England, the UK's second largest grower of apples
- Sale of the Aerospace interests in August
- Further progress made on geographic and crop diversification
  - First Tanzanian avocado planting complete
  - First major blueberry crop harvesting underway in Kenya
- Continued commitment to ESG principles with particular focus on securing and conserving water resources to mitigate climate impacts
- Camellia remains financially strong with significant liquid resources

Financial highlights

	Six months ended 30 June 2021	Six months ended 30 June 2020	Year ended 31 December 2020

	£'m	£'m	£'m
Revenue – continuing operations	105.5	114.9	291.2
Underlying (loss)/profit before tax*	(7.3)	(6.0)	16.0
Significant separately disclosed items and provision releases	(0.5)	(6.9)	(8.2)
(Loss)/profit before tax for the period	(7.8)	(12.9)	7.8
(Loss) after tax for the period	(6.1)	(12.1)	(0.8)
(Loss)/earnings per share	(220.9)p	(456.2)p	(181.0)p
Dividend per share for the period	44p	102p	144p
Net cash and cash equivalents net of borrowings	62.1	72.8	90.1
Investment portfolio market value	51.3	45.8	50.6

* Underlying profit before tax is profit before tax from continuing operations excluding separately disclosed significant items (eg provision releases, impairments, costs relating to legal claims, profit on disposal of property)

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

The interim report will be available to download from the investor relations section of the Company's website www.camellia.plc.uk

Enquiries:

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

Panmure Gordon 0207 886 2500
Nominated Advisor and Broker
Emma Earl
Erik Anderson

Maitland/AMO
PR
William Clutterbuck 07785 292617

CHAIRMAN'S STATEMENT

Due to the normal seasonality in our business, we are reporting a first half loss before tax of £7.8 million (2020 H1: £12.9 million loss) which is significantly lower than that of the corresponding period of 2020 reflecting the high level of legal costs incurred and impairments in H1 2020. The underlying loss before tax for the first half was £7.3 million (2020 H1: £6.0 million loss). However H1 2020 also included an underlying profit before tax of £3.6 million from Horizon Farms and therefore, on a like for like basis, the underlying loss in H1 2021 was significantly smaller.

Our tea volumes in the period were 5% higher and we also saw significant improvements in our average selling prices in India and Bangladesh. However, the benefit of these was in large part offset by the significant increases in wages in Assam. Despite efforts being made by both the industry and governments around the world, the global tea market remains over-supplied and poorly priced and this can be seen most starkly in the prices achieved for our African teas. The reduced avocado crop and the extension of lockdown restrictions have also been unhelpful. Our associates, in particular BF&M, have made a substantial contribution to our performance in H1.

Strategy
As announced in the AGM statement in June, the Board of Camellia is undertaking a series of measures aimed at re-balancing the Group's portfolio of investments in order to take better advantage of its strengths, and thereby to improve profitability and share price performance. These measures include accelerating our agricultural diversification and divesting of certain assets which we consider to be non core.

In line with this and as announced in July, we have completed the acquisition of an 80% stake in Bardsley England, the UK's second largest apple grower, and disposed of our interests in the aerospace sector with the sales of Abbey Metal Finishing and Atfin.

Other strategic developments are included in the Operating review.

Outlook
Our full year outcome is expected to reflect lower underlying profit before tax from Agriculture (after adjusting for Horizon Farms £4.5 million full year underlying profit before tax in 2020) and from Engineering due in large part to a softening of activity in the oil and gas markets and the impact of Covid on the markets previously served by our aerospace business. This is expected to be offset in part by improved performance from Food Service and our associates. As always, our financial results remain largely dependent on Agriculture where the majority of harvesting and sales take place in the second half of the year. It is therefore too early to give a firm indication of the likely results for 2021.

Dividend
The Board is pleased to declare an interim dividend of 44p per share (2020 H1: nil) payable on 8 October 2021 to shareholders registered at the close of business on 10 September 2021 and will consider the overall dividend in respect of 2021 when the year is complete.

Board
It is with great sadness that we announced last month the death of our Deputy Chairman, Senior Independent Director and Chairman of the audit committee, Chris Relleen. Chris joined the Board in 2006 as a non-executive director, and we will remember Chris's contribution to the Board and miss his wise counsel, humility and humour.

The Board has today appointed William Gibson as Senior Independent Director and Gautam Dalal as Chairman of the audit committee. Simon Turner will join the nomination and remuneration committees.

People
Once again, I would like to thank all of our staff around the world for their continuing efforts in extremely difficult circumstances.

Malcolm Perkins
Chairman

1 September 2021

OPERATING REVIEW

COVID-19 AND TRADING UPDATE

People
The first half has been very tough for all of our staff and their communities. The virulent re-emergence of the pandemic in India and Bangladesh combined with further lockdowns in most of our production centres and markets have created a demanding operating environment. Vaccine roll-outs across most of our operating countries have been slow and difficult, and it is against that background that I would once again like to thank all of our staff for their efforts.

Trading
Full details of the trading results for the first half are set out below but in summary all of our businesses are operational, albeit in modified ways to take account of social distancing.

The key features that have impacted the first half of this year relative to H1 2020 have been:

- A 5% increase in our total tea production volumes, higher average tea selling prices in India and Bangladesh, offset in part by the significant wage increase in Assam
- Continuing over-supply of the tea market and the consequential impact on prices for Kenya and Malawi
- Significantly lower avocado volumes coming out of Kenya but at marginally better prices
- Increased macadamia volume expectations coupled with lower average price expectations
- Slow growth in UK demand for Engineering and Food Service as a result of the prolonged lockdown
- No profits from Horizon Farms which was sold in 2020

Additional detail on the first half results is set out below.

Acquisitions and Disposals
Following the end of the first half we completed three important strategic transactions. First, we acquired an 80% share in Bardsley England for £15.7 million and have also made a loan to Bardsley of £9.3 million. Bardsley is a major fruit farming business and the UK's second largest apple grower. The farming operation covers 850 hectares in Kent and

grows apples, pears, cherries, plums and strawberries as well as having a large grading, packing and storage facility. Bardsley is an innovator in the use of agritech and regenerative agriculture. Customers include major supermarkets in the UK.

Bardsley's focus on perennial agriculture, its UK base, innovative thinking and prospects for immediate and exciting growth makes this a significant acquisition for the Group.

We also took the decision to dispose of our two interests in the aerospace sector which had been hit very hard by the downturn in air travel resulting from the pandemic. We believe that the capital required to maintain the operations in an uncertain environment could be better deployed in our core business.

Financial Position

The Group has a strong balance sheet with substantial liquidity which amounted to £62.1 million in cash and cash equivalents net of borrowings as at 30 June 2021. In order to part fund the Bardsley acquisition, disposals of easily liquidated assets were made from the investment portfolio amounting to £14.2 million. The Group may sell certain less liquid, non income generating assets in order to fund strategically important acquisitions.

FIRST HALF OPERATING RESULTS

Agriculture

The revenue and underlying trading (loss)/profit by crop during the period is set out below. The Appendix at the end of this interim report includes details of the revenues and underlying trading profits for the last 5 financial years.

	H1 2021 £'m	*H1 2020* *£'m*	*Full year 2020* *£'m*
Revenue			
Tea	71.7	74.2	198.4
Macadamia	4.5	4.4	13.0
Avocado	1.1	2.6	16.8
Other	7.1	10.5	19.0
	84.4	91.7	247.2
Underlying trading (loss)/profit			
Tea	(7.0)	(10.6)	7.9
Macadamia	(0.5)	0.3	1.0
Avocado	1.0	1.1	3.9
Other	1.3	3.5	5.5
	(5.2)	(5.7)	18.3

Note: Please see note 5 for further segmental information and note 6 for details of the adjustments made to trading profit in arriving at underlying trading (loss)/profit for the Agriculture division.

Tea

Overall tea production in the first half was up 5% at 44.1mkg (H1 2020: 42.0mkg), though different regions experienced markedly different conditions. Pricing has been mixed with continued weakening of average prices in Africa but in India and Bangladesh CTC prices have firmed while Orthodox prices declined over the same period last year.

	H1 2021 Volume mkg	*H1 2020* *Volume* *mkg*	*Full year 2020* *Volume* *mkg*
India	8.1	*6.7*	*26.1*
Bangladesh	3.5	*2.8*	*12.5*
Kenya	7.4	*7.9*	*15.8*
Malawi	13.2	*11.6*	*16.8*
Total own estates	32.2	*29.0*	*71.2*
Bought leaf production	9.6	*10.4*	*23.5*
Managed client production	2.3	*2.6*	*4.8*
Total made tea produced	44.1	*42.0*	*99.5*

India: The Covid situation in India remains deeply concerning despite the extensive efforts made to keep all our staff safe, including restricting workforce deployment to 50% in West Bengal. Production in the first half of the year was 17% up on the same period last year largely due to less severe lockdowns in the current year offset in part by the impact of very dry weather early in the season.

Prices for CTC teas in both the Dooars and Assam have been higher than H1 2020. Pricing for Assam orthodox teas which constitute most of our production in that region, are significantly lower than in H1 2020. As previously announced, wages in Dooars increased 14.8% for 2021 and in Assam increased 22.75% effective from 23 February 2021 which will have a substantial impact on profitability of tea. It is still very early in the India tea sales cycle (around 70-75%

of sales are made in the second half of the year) which makes predicting prices for the remainder of the year inherently uncertain even without the impact of Covid.

Bangladesh: Despite a dry hot start to the season, favourable weather thereafter led to a record June crop and production was up 25% on H1 2020. Average pricing has also been significantly better (up 63% in H1).

Kenya: In Kenya, benign weather continues to result in high volumes of tea production nationally, although below the record levels of last year. Our estate production for the first half was 11% below that of the same period of 2020 with average prices down approximately 2%. We continue to see a risk of further downward price pressure for the remainder of the year.

The low prices continue to have political repercussions and the implications of the new regulations for the tea sector, published by the Kenyan Government, remain uncertain. It is hoped the legislation will restrain production and improve prices.

Malawi: Estate production was approximately 14% higher than the same period last year due to better growing conditions but sales have been delayed due to the uncertainty created by the Malawi Revenue Authority's investigation into the applicability of VAT to certain tea sales, as reported in our 2020 annual report. This is expected to be a timing issue as between H1 and H2 sales. Average tea prices were 2% higher than H1 2020 but due to oversupply in the Kenyan market, we expect lower prices in the second half.

Macadamia
We estimate that our combined macadamia harvest will be approximately 21% higher than that of 2020 at 1.3mkg despite the pest damage in Malawi that we previously reported. Higher volumes were achieved by all operations, particularly South Africa.

Although the kernel market is active with both demand and prices improving as the year continues, we expect our average prices to be 16% below those of last year due to the adverse grade mix and the low value stock lines carried forward from 2020.

Avocado
Production volumes of our estate Hass crop in H1 were down 18% against H1 2020. The season is well underway and thus far logistics have generally worked well despite the challenges presented by the pandemic. The avocado tree has a natural tendency towards alternate bearing, widely know as 'on' and 'off' years and 2021 is an 'off' year. We anticipate total production of estate Hass for the full year to be approximately 30% below 2020.

Pricing in H1 2021 has been marginally ahead of that of the same period in 2020. However, European markets are currently over supplied with avocados and it is too soon to predict prices with any certainty for the remainder of the year. It is however unlikely that prices will improve sufficiently to offset the lower yield.

Speciality Crops
Our speciality crops have generally had a good first half and the following is worth noting:

- In Brazil the soya crop was up 8%, driven by favourable growing conditions. Prices achieved were up 58%, assisted in part by the devaluing Real. There has been a highly unusual but severe incidence of frost on the farm from the end of June which has affected the maize, sorghum and wheat crops. The extent of the impact is not clear other than volumes of sorghum and wheat will be significantly lower than anticipated. However prices for maize and sorghum are likely to offset this shortfall.
- Blueberry volumes are in line with our expectation so far. A combination of domestic as well as regional markets are being supplied.

Strategic developments
The following strategic developments in the agriculture division should be noted:

- Acquisition of Bardsley England as described above.
- In Tanzania we have now completed all the legal steps necessary to acquire the farm at Mgagoa. 50Ha of avocado have been planted with another 92Ha expected to be planted over the coming months.
- In South Africa, the first 40Ha of avocado will be planted at Beja later this year with an additional 40Ha due to be planted at the start of 2022.

Engineering
The oil and gas services market in Aberdeen has seen some softening of demand for AJT's Engineering division with a consequent reduction in margins, while the Site Services division, which is focused on the renewables sector, has seen a significant increase in activity over H1 2020.

As previously announced, the sales of Abbey Metal Finishing and its subsidiary Atfin were completed in the first week of

August. Revenues from these businesses up to that date were disappointing at £1.7 million with losses before taxation at £0.8 million. A further impairment of £0.5 million has been recorded as a consequence of the continued deterioration of their trading conditions prior to disposal.

Food Service
After a difficult start to the year, ACS&T is showing signs of improvement as the lockdown is lifted.

Jing Tea has been largely closed throughout the lockdown, with only the on-line trading platform remaining busy. Recovery for Jing remains dependent on the recovery of the hotel, restaurant and tourism sectors.

Investments and Associates
Our investment portfolio, which consists principally of listed equities, at 30 June 2021 was valued at £51.3 million (31 December 2020: £50.6 million). Following the disposal programme during July, the value of the investment portfolio was £37.4 million at 31 July 2021.

Our share of profits from associates amounted to £3.8 million (H1 2020: £2.5 million) reflecting strong operating results from BF&M. BF&M recorded net income up 42% at $15.1 million (2020 H1: $10.6 million) due to a 15% uplift in gross premiums written in the period compared to H1 of the prior year. This was driven by increased property premiums in the Caribbean and from health & annuities premiums in Bermuda. Short term claims and adjustment expenses increased by 64% and life and health policy benefits decreased by 43% to $33.7 million.

Pensions
The UK defined benefit scheme is now in surplus by £6.6 million (31 December 2020: deficit £7.0 million) due to a combination of better asset returns than projected and higher discount rates. The deficit on the Group's defined benefit pension and post employment benefit schemes overall now amounts to £4.8 million at 30 June 2021 (31 December 2020: £16.6 million).

Safeguarding and Stewardship Committee
We are pleased to report good progress from the newly formed Safeguarding and Stewardship Committee formed following the human rights allegations last year and in particular the appointment of an additional external member, Vinita Singh Phougat. Vinita is based in India and has extensive experience in empowering individuals and workers within supply chains across a variety of sectors, and in helping businesses to understand how they can contribute to improving working conditions. In addition, Malcolm Perkins has also joined the committee.

Summary
2021 to date has been an important time for the Group especially in respect of progress with the implementation of our strategy. The on-going impact of the pandemic and the continuing weakness in the price of tea globally, has led the Board to accelerate its plans. Diversifying our interests in agriculture where we have scale and expertise and disinvesting those businesses where we have fewer long-term strategic advantages are key priorities and we have taken significant steps in their implementation.

The Board believes that the actions that we are taking now will enhance the long-term value of the Group and provide additional opportunities for its success.

Tom Franks
Chief Executive

1 September 2021

INTERIM MANAGEMENT REPORT

The Chairman's statement and Operating review form part of this report and include important events that have occurred during the six months ended 30 June 2021 and their impact on the financial statements set out herein.

Principal risks and uncertainties
The Report of the Directors in the statutory financial statements for the year ended 31 December 2020 (available on the Company's website: www.camellia.plc.uk) highlighted risks and uncertainties that could have an impact on the Group's businesses. As these businesses are widely spread both in terms of activity and location, it is unlikely that any one single factor could have a material impact on the Group's performance. These risks and uncertainties continue to be relevant for the remainder of the year. In addition, the Chairman's Statement included in this report refers to certain specific risks and uncertainties that the Group is presently facing.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors confirm that these condensed consolidated financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting', and that the interim management report herein includes a fair review of the information required by sections 4.2.7 and 4.2.8 of the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

The Directors of Camellia Plc are listed in the Camellia Plc statutory financial statements for the year ended 31 December 2020. As reported on 6 August 2021, Senior Independent non-executive Director Chris Relleen, sadly passed away. There have been no other subsequent changes of Directors and a list of current Directors is maintained on the Group's website at www.camellia.plc.uk.

By order of the Board

Malcolm Perkins
Chairman

1 September 2021

CONDENSED CONSOLIDATED INCOME STATEMENT
for the six months ended 30 June 2021

Continuing operations	Notes	Six months ended 30 June 2021 £'m	*Six months ended 30 June 2020 £'m*	*Year ended 31 December 2020 £'m*
Revenue	5	105.5	*114.9*	*291.2*
Cost of sales		(91.5)	*(98.8)*	*(227.7)*
Gross profit		14.0	*16.1*	*63.5*
Other operating income		1.7	*0.8*	*3.0*
Distribution costs		(5.3)	*(6.2)*	*(16.2)*
Administrative expenses		(21.7)	*(25.0)*	*(59.5)*
Trading loss	5	(11.3)	*(14.3)*	*(9.2)*
Share of associates' results	7	3.8	*2.5*	*6.1*
Profit on disposal of property, plant and equipment		–	–	*14.4*
Impairment of intangible assets and investment properties, plant and equipment		(0.5)	*(3.4)*	*(6.5)*
Profit on disposal of financial assets		0.1	*0.1*	*0.2*
Operating (loss)/profit		(7.9)	*(15.1)*	*5.0*
Investment income		0.4	*0.4*	*0.6*
Finance income		0.9	*1.5*	*2.3*
Finance costs		(0.7)	*(0.8)*	*(1.6)*
Net exchange (loss)/gain		(0.2)	*1.3*	*2.2*
Employee benefit expense		(0.3)	*(0.2)*	*(0.7)*
Net finance (cost)/income	8	(0.3)	*1.8*	*2.2*
(Loss)/profit before tax		(7.8)	*(12.9)*	*7.8*
Comprising				
– underlying (loss)/profit before tax	6	(7.3)	*(6.0)*	*16.0*
– profit on disposal of property, plant and equipment	6	–	–	*14.4*
– costs related to group claims	6	–	*(3.5)*	*(16.1)*
– impairment of intangible assets and property, plant and equipment	6	(0.5)	*(3.4)*	*(6.5)*
		(7.8)	*(12.9)*	*7.8*
Taxation	9	1.7	*0.8*	*(8.6)*
Loss for the period		(6.1)	*(12.1)*	*(0.8)*
(Loss)/profit attributable to:				
Owners of Camellia Plc		(6.1)	*(12.6)*	*(5.0)*
Non-controlling interests		–	*0.5*	*4.2*
		(6.1)	*(12.1)*	*(0.8)*
Loss per share – basic and diluted	11	(220.9)p	*(456.2)p*	*(181.0)p*

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the six months ended 30 June 2021

	Six months ended 30 June 2021 £'m	*Six months ended 30 June 2020 £'m*	*Year ended 31 December 2020 £'m*
Loss for the period	(6.1)	*(12.1)*	*(0.8)*
Other comprehensive (expense)/income:			

Items that will not be reclassified subsequently to profit or loss:			
Financial assets at fair value through other comprehensive income:			
Fair value adjustment released on disposal	(0.9)	*(0.8)*	*(1.1)*
Profit on disposal	1.6	*0.6*	*0.8*
	0.7	*(0.2)*	*(0.3)*
Changes in the fair value of financial assets	(0.4)	*(2.7)*	*2.3*
Deferred tax movement in relation to fair value adjustments	–	*0.4*	*(0.7)*
Remeasurements of post employment benefit obligations	12.9	*(7.3)*	*4.3*
Deferred tax movement in relation to post employment benefit obligations	(1.5)	*–*	*0.6*
	11.7	*(9.8)*	*6.2*
Items that may be reclassified subsequently to profit or loss:			
Foreign exchange translation differences	(4.2)	*13.1*	*(22.6)*
Share of other comprehensive income of associates	–	*0.1*	*0.3*
	(4.2)	*13.2*	*(22.3)*
Other comprehensive income/(expense) for the period, net of tax	7.5	*3.4*	*(16.1)*
Total comprehensive income/(expense) for the period	1.4	*(8.7)*	*(16.9)*
Total comprehensive income/(expense) attributable to:			
Owners of Camellia Plc	2.1	*(10.3)*	*(16.6)*
Non-controlling interests	(0.7)	*1.6*	*(0.3)*
	1.4	*(8.7)*	*(16.9)*

CONDENSED CONSOLIDATED BALANCE SHEET
at 30 June 2021

	Notes	30 June 2021 £'m	*30 June 2020 £'m*	*31 December 2020 £'m*
ASSETS				
Non-current assets				
Intangible assets		6.4	*6.9*	*6.6*
Property, plant and equipment	12	189.4	*218.6*	*198.3*
Right-of-use assets		12.8	*18.5*	*16.6*
Investment properties		21.0	*18.9*	*19.1*
Biological assets		12.3	*14.3*	*12.7*
Investments in associates		69.2	*72.3*	*67.6*
Deferred tax assets		–	*0.2*	*–*
Financial assets at fair value through other comprehensive income		42.7	*37.6*	*42.6*
Financial asset at fair value through profit or loss		5.9	*5.2*	*5.3*
Financial assets at amortised cost		2.7	*3.0*	*2.7*
Other investments – heritage assets		9.8	*9.8*	*9.8*
Retirement benefit surplus	16	6.6	*0.5*	*0.1*
Trade and other receivables		2.6	*2.7*	*2.4*
Total non-current assets		381.4	*408.5*	*383.8*
Current assets				
Inventories		61.5	*61.3*	*47.5*
Biological assets		5.9	*3.6*	*7.1*
Trade and other receivables		31.6	*42.1*	*43.7*
Current income tax assets		3.5	*3.4*	*1.7*
Cash and cash equivalents (excluding bank overdrafts)		73.2	*82.9*	*98.5*
		175.7	*193.3*	*198.5*
Assets classified as held for sale	13	6.2	*9.8*	*–*
Total current assets		181.9	*203.1*	*198.5*

	Notes	30 June 2021 £'m	*30 June 2020 £'m*	*31 December 2020 £'m*
LIABILITIES				
Current liabilities				
Financial liabilities – borrowings	14	(7.0)	*(6.9)*	*(5.7)*
Lease liabilities		(1.7)	*(1.4)*	*(1.2)*
Trade and other payables		(52.8)	*(53.0)*	*(50.9)*

Current income tax liabilities		(2.7)	*(5.3)*	*(10.3)*
Employee benefit obligations	16	(1.5)	*(0.9)*	*(1.1)*
Provisions	15	(13.7)	*(13.0)*	*(19.0)*
		(79.4)	*(80.5)*	*(88.2)*
Liabilities related to assets classified as held for sale	13	(3.0)	*–*	*–*
Total current liabilities		(82.4)	*(80.5)*	*(88.2)*
Net current assets		99.5	*122.6*	*110.3*
Total assets less current liabilities		480.9	*531.1*	*494.1*
Non-current liabilities				
Financial liabilities – borrowings	14	(4.1)	*(3.2)*	*(2.7)*
Lease liabilities		(7.7)	*(11.6)*	*(10.3)*
Deferred tax liabilities		(36.8)	*(45.2)*	*(39.5)*
Employee benefit obligations	16	(9.9)	*(29.7)*	*(15.6)*
Total non-current liabilities		(58.5)	*(89.7)*	*(68.1)*
Net assets		422.4	*441.4*	*426.0*
EQUITY				
Called up share capital		0.3	*0.3*	*0.3*
Share premium		15.3	*15.3*	*15.3*
Reserves		359.3	*369.8*	*361.0*
Equity attributable to owners of Camellia Plc		374.9	*385.4*	*376.6*
Non-controlling interests		47.5	*56.0*	*49.4*
Total equity		422.4	*441.4*	*426.0*

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the six months ended 30 June 2021

	Notes	Six months ended 30 June 2021 £'m	*Six months ended 30 June 2020 £'m*	*Year ended 31 December 2020 £'m*
Cash (used in)/generated from operations				
Cash flows from operating activities	17	(13.5)	*(3.1)*	*19.3*
Interest received		0.9	*1.5*	*2.4*
Interest paid		(1.0)	*(0.8)*	*(1.6)*
Income taxes paid		(9.2)	*(3.2)*	*(7.2)*
Net cash flow from operating activities		(22.8)	*(5.6)*	*12.9*
Cash flows from investing activities				
Purchase of intangible assets		–	*–*	*(0.3)*
Purchase of property, plant and equipment		(4.9)	*(6.6)*	*(13.5)*
Proceeds from sale of non-current assets		0.3	*0.3*	*0.5*
Proceeds from sale of non-current assets – non recurring		–	*–*	*21.6*
Additions to investment property		(0.2)	*(0.6)*	*(0.9)*
Biological assets: non-current – disposals		0.3	*0.5*	*0.7*
Investment in associates		–	*(0.3)*	*(0.3)*
Dividends received from associates		1.8	*1.3*	*3.2*
Purchase of investments		(4.8)	*(4.9)*	*(12.4)*
Proceeds from sale of investments		4.0	*6.0*	*9.1*
Income from investments		0.4	*0.4*	*0.6*
Net cash flow from investing activities		(3.1)	*(3.9)*	*8.3*
Cash flows from financing activities				
Equity dividends paid		–	*–*	*(2.8)*
Dividends paid to non-controlling interests		(1.2)	*(2.3)*	*(7.0)*
New loans		1.4	*–*	*1.9*
Loans repaid		(1.9)	*(0.3)*	*(3.6)*
Payments of lease liabilities		(0.6)	*(0.5)*	*(0.9)*
Net cash flow from financing activities		(2.3)	*(3.1)*	*(12.4)*
Net (decrease)/increase in cash and cash equivalents		(28.2)	*(12.6)*	*8.8*
Cash and cash equivalents at beginning of period		94.9	*89.4*	*89.4*
Exchange (losses)/gains on cash		(0.4)	*2.7*	*(3.3)*
Cash and cash equivalents at end of period	18	66.3	*79.5*	*94.9*

For the purposes of the cash flow statement, cash and cash equivalents are included net of overdrafts repayable on demand.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2021

	Attributable to the owners of Camellia Plc							
	Share capital £'m	Share premium £'m	Treasury shares £'m	Retained earnings £'m	Other reserves £'m	Total £'m	Non-Controlling interests £'m	Total equity £'m
At 1 January 2020	0.3	15.3	(0.4)	358.6	21.9	395.7	56.7	452.4
Total comprehensive (expense)/income for the period	–	–	–	(18.7)	8.4	(10.3)	1.6	(8.7)
Dividends	–	–	–	–	–	–	(2.3)	(2.3)
At 30 June 2020	0.3	15.3	(0.4)	339.9	30.3	385.4	56.0	441.4
At 1 January 2020	0.3	15.3	(0.4)	358.6	21.9	395.7	56.7	452.4
Total comprehensive income/(expense) for the period	–	–	–	0.3	(16.9)	(16.6)	(0.3)	(16.9)
Dividends	–	–	–	(2.8)	–	(2.8)	(7.0)	(9.8)
Share of associate's other equity movements	–	–	–	0.3	–	0.3	–	0.3
At 31 December 2020	0.3	15.3	(0.4)	356.4	5.0	376.6	49.4	426.0
Total comprehensive income/(expense) for the period	–	–	–	7.6	(5.5)	2.1	(0.7)	1.4
Dividends	–	–	–	(4.0)	–	(4.0)	(1.2)	(5.2)
Share of associate's other equity movements	–	–	–	0.2	–	0.2	–	0.2
At 30 June 2021	0.3	15.3	(0.4)	360.2	(0.5)	374.9	47.5	422.4

NOTES TO THE ACCOUNTS

1 Basis of preparation

These financial statements are the interim condensed consolidated financial statements of Camellia Plc, a company registered in England, and its subsidiaries (the "Group") for the six month period ended 30 June 2021 (the "Interim Report"). The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the Report and Accounts (the "Annual Report") for the year ended 31 December 2020.

The financial information contained in this interim report has not been audited and does not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006. A copy of the statutory accounts for the year ended 31 December 2020 has been delivered to the Registrar of Companies. The auditors' opinion on these accounts was unqualified and does not contain an emphasis of matter paragraph or a statement made under Section 498(2) and Section 498(3) of the Companies Act 2006.

The interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") including IAS 34 "Interim Financial Reporting". For these purposes, IFRS comprise the Standards issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Standards Interpretations Committee ("IFRS IC").

These interim condensed consolidated financial statements were approved by the Board of Directors on 1 September 2021. At the time of approving these financial statements, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue to operate for the foreseeable future. They therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

2 Changes to accounting policies

These interim condensed financial statements have been prepared on the basis of accounting policies consistent with those applied in the financial statements for the year ended 31 December 2020. Amendments to IFRSs effective for the financial year ending 31 December 2021 are not expected to have a material impact on the Group.

3 Going concern

As set out in the Operating review, our businesses are currently operating broadly as normal. Our experience over the last year has given us valuable insight into how the pandemic impacts our markets and businesses.

Despite this, it remains difficult to predict with any certainty the impact of COVID on the Group during the remainder of this year. Accordingly, we continue to take actions to conserve cash by focusing on efficiencies, minimising our operating costs and focusing capital expenditure across the Group.

The Directors considered the impact of the current COVID environment on the business for the next 15 months. We have considered several variables which may impact on revenue, profits and cash flows. In light of the nature of our business and our experience of trading through the pandemic so far, we expect our agriculture businesses will continue to operate broadly as currently. In the UK we have assumed that the food service market begins to recover gradually over the course of the next two years.

At 30 June 2021, the Group had cash and cash equivalents of £66.1 million with loans outstanding of £4.2 million. In addition, the Group had undrawn short-term loan and overdraft facilities of £17.9 million and a portfolio of liquid investments with a fair market value of £51.3 million.

We have modelled various severe but plausible scenarios using assumptions including the combined effect of reduced tea prices, reduced avocado pricing and reduced sales volumes for macadamia. The revenue and operational impact of such reductions across our operations would have a substantially negative impact on Group profitability. We have also considered the risk of volume reductions for our tea, macadamia and avocado crops.

The Directors believe that the Company and the Group are well placed to manage their financing and other business risks satisfactorily and have a reasonable expectation that the Company and the Group will have adequate resources to continue in operational existence for the foreseeable future. The Directors therefore continue to adopt the going concern basis in preparing the financial statements.

4 Cyclical and seasonal factors

Due to climatic conditions the Group's tea operations in India and Bangladesh produce most of their crop during the second half of the year. Tea production in Kenya remains at consistent levels throughout the year but in Malawi the majority of tea is produced in the first six months.

Soya in Brazil is generally harvested in the first half of the year. The majority of the macadamia crop in Malawi and South Africa is harvested in the second half of the year but in Kenya the majority of macadamia is harvested in the first half. Avocados in Kenya are mostly harvested in the second half of the year.

There are no other cyclical or seasonal factors which have a material impact on the trading results.

5 Segment reporting

	Agriculture Six months ended 30 June		Engineering Six months ended 30 June		Food Service Six months ended 30 June		Unallocated Six months ended 30 June		Consolidated Six months ended 30 June	
	2021 £'m	*2020 £'m*	2021 £'m	*2020 £'m*	2021 £'m	*2020 £'m*	2021 £'m	*2020 £'m*	2021 £'m	*2020 £'m*
Revenue										
External sales	84.4	*91.7*	8.7	*11.0*	11.8	*11.6*	0.6	*0.6*	105.5	*114.9*
Underlying trading (loss)/profit	(5.2)	*(5.7)*	(0.9)	*0.3*	(0.9)	*2.4*	(3.8)	*(4.4)*	(10.8)	*(7.4)*
Separately disclosed items	–	*(3.5)*	(0.5)	*(0.2)*	–	*(3.2)*	–	*–*	(0.5)	*(6.9)*
Trading (loss)/profit	(5.2)	*(9.2)*	(1.4)	*0.1*	(0.9)	*(0.8)*	(3.8)	*(4.4)*	(11.3)	*(14.3)*
Share of associates' results	–	*–*	–	*–*	–	*–*	3.8	*2.5*	3.8	*2.5*
Impairment of intangible assets, investment properties and plant and equipment		*–*	(0.5)	*(0.2)*	–	*(3.2)*	–	*–*	(0.5)	*(3.4)*
Profit on disposal of financial assets	0.1	*0.1*	–	*–*	–	*–*	–	*–*	0.1	*0.1*
Operating loss	(5.1)	*(9.1)*	(1.9)	*(0.1)*	(0.9)	*(4.0)*	–	*(1.9)*	(7.9)	*(15.1)*

Comprising										
– underlying operating (loss)/profit before tax	(5.1)	*(5.6)*	(1.4)	*0.1*	(0.9)	*(0.8)*	–	*(1.9)*	(7.4)	*(8.2)*
– costs related to group claims	–	*(3.5)*	–	*–*	–	*–*	–	*–*	–	*(3.5)*
– impairment of intangible assets and property, plant and equipment	–	*–*	(0.5)	*(0.2)*	–	*(3.2)*	–	*–*	(0.5)	*(3.4)*
	(5.1)	*(9.1)*	(1.9)	*(0.1)*	(0.9)	*(4.0)*	–	*(1.9)*	(7.9)	*(15.1)*

Investment income	0.4	*0.4*
Net finance (cost)/income	(0.3)	*1.8*
Loss before tax	(7.8)	*(12.9)*
Taxation	1.7	*0.8*
Loss after tax	(6.1)	*(12.1)*

Year Ended 31 December 2020

	Agriculture £'m	Engineering £'m	Food Service £'m	Unallocated £'m	Consolidated £'m
Revenue					
External sales	247.2	19.3	23.6	1.1	291.2
Underlying trading profit/(loss)	18.3	(1.5)	(1.7)	(8.2)	6.9
Separately disclosed items	(16.1)	–	–	-	(16.1)
Trading profit/(loss)	2.2	(1.5)	(1.7)	(8.2)	(9.2)
Share of associates' results	–	–	–	6.1	6.1
Profit on disposal of property, plant and equipment	14.4	–	–	–	14.4
Impairment of intangible assets, investment properties and plant and equipment	(0.2)	(1.6)	(3.7)	(1.0)	(6.5)
Profit on disposal of financial assets	0.2	–	–	–	0.2
Operating profit/(loss)	16.6	(3.1)	(5.4)	(3.1)	5.0
Comprising					
– underlying operating profit/(loss) before tax	18.5	(1.5)	(1.7)	(2.1)	13.2
– profit on disposal of property, plant and equipment	14.4	–	–	–	14.4
– costs related to group claims	(16.1)	–	–	–	(16.1)
– impairment of intangible assets and property, plant and equipment	(0.2)	(1.6)	(3.7)	(1.0)	(6.5)
	16.6	(3.1)	(5.4)	(3.1)	5.0
Investment income					0.6
Net finance income					2.2
Profit before tax					7.8
Taxation					(8.6)
Loss after tax					(0.8)

6 **Underlying (loss)/profit**

The Group seeks to present an indication of the underlying performance which is not impacted by exceptional items or items considered non-operational in nature. This measure of profit is described as 'underlying' and is used by management to measure and monitor performance.

	Six months ended 30 June 2021 £'m	*Six months ended 30 June 2020 £'m*	*Year ended 31 December 2020 £'m*
Operating (loss)/profit	(7.9)	*(15.1)*	*5.0*
Exceptions or items considered non-operational:			
Profit on disposal of property, plant and equipment	–	–	*14.4*
Costs related to group claims	–	*(3.5)*	*(16.1)*
Impairment of intangible assets and property, plant and equipment	(0.5)	*(3.4)*	*(6.5)*
Underlying operating (loss)/profit before tax	(7.4)	*(8.2)*	*13.2*
Investment income	0.4	*0.4*	*0.6*
Net finance (cost)/income	(0.3)	*1.8*	*2.2*
Underlying (loss)/profit before tax	(7.3)	*(6.0)*	*16.0*

The following items have been excluded from the underlying measure and have been separately disclosed:

- A profit from the disposal of the property plant and equipment owned by Horizon Farms of £nil (2020: six months £nil – year £14.4 million).

- Legal and other costs relating to the defence of the litigation concerning our East African operations including settlements of £nil (2020: six months £3.5 million – year £16.1 million).
- Impairment charges of £0.5 million (2020: six months £0.2 million – year £1.6 million) in relation to plant and equipment at Abbey Metal Finishing and at Atfin and impairment charges of £nil (2020: six months £3.2 million – year £4.9 million) in relation to the Jing Tea brand investment properties and elsewhere in the UK.

7 Share of associates' results

The Group's share of the results of associates is analysed below:

	Six months ended 30 June 2021 £'m	*Six months ended 30 June 2020 £'m*	*Year ended 31 December 2020 £'m*
Profit before tax	4.1	*2.8*	*6.7*
Taxation	(0.3)	*(0.3)*	*(0.6)*
Profit after tax	3.8	*2.5*	*6.1*

8 Finance income and costs

	Six months ended 30 June 2021 £'m	*Six months ended 30 June 2020 £'m*	*Year ended 31 December 2020 £'m*
Finance costs – interest payable on loans and bank overdrafts	(0.4)	*(0.4)*	*(0.9)*
Interest payable on leases	(0.3)	*(0.4)*	*(0.7)*
Finance costs	(0.7)	*(0.8)*	*(1.6)*
Finance income – interest income on short-term bank deposits	0.9	*1.5*	*2.3*
Net exchange (loss)/gain on foreign currency balances	(0.2)	*1.3*	*2.2*
Employee benefit expense	(0.3)	*(0.2)*	*(0.7)*
Net finance (cost)/income	(0.3)	*1.8*	*2.2*

9 Taxation on (loss)/profit on ordinary activities

	Six months ended 30 June 2021 £'m	*Six months ended 30 June 2020 £'m*	*Year ended 31 December 2020 £'m*
Current tax			
Overseas corporation tax	1.0	*2.4*	*13.2*
Deferred tax			
Origination and reversal of timing differences			
United Kingom	(1.6)	–	*(0.7)*
Overseas deferred tax	(1.1)	*(3.2)*	*(3.9)*
Tax on (loss)/profit on ordinary activities	(1.7)	*(0.8)*	*8.6*

Tax on (loss)/profit on ordinary activities for the six months to 30 June 2021 has been calculated on the basis of the estimated annual effective rate for the year ending 31 December 2021.

10 Equity dividends

	Six months ended 30 June 2021 £'m	*Six months ended 30 June 2020 £'m*	*Year ended 31 December 2020 £'m*
Amounts recognised as distributions to equity holders in the period:			
Final dividend for the year ended 31 December 2020 of 144p (2019: nil) per share	4.0	–	–
Special Interim dividend for the year ended 31 December 2020 of 102p per share			*2.8*
			2.8

Dividends amounting to £0.1 million (2020: six months £nil million – year £0.1 million) have not been included as group companies hold 62,500 issued shares in the company. These are classified as treasury shares.

Proposed interim dividend for the year ended 31 December 2021 of 44p per share	1.2	
Proposed special interim dividend for the year ended 31 December 2020 of 102p per share		*2.9*

The proposed interim dividend was approved by the Board of Directors on 1 September 2021 and has not been included as a liability in these financial statements.

11 Earnings/(loss) per share (EPS)

	Six months ended 30 June 2021		*Six months ended 30 June 2020*		*Year ended 31 December 2020*	
	Loss £'m	EPS Pence	*Loss £'m*	*EPS Pence*	*Loss £'m*	*EPS Pence*
Attributable to ordinary shareholders	(6.1)	(220.9)	*(12.6)*	*(456.2)*	*(5.0)*	*(181.0)*

Basic and diluted earnings per share are calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares in issue of 2,762,000 (2020: six months 2,762,000 – year 2,762,000), which excludes 62,500 (2020: six months 62,500 – year 62,500) shares held by the Group as treasury shares.

12 Property, plant and equipment

During the six months ended 30 June 2021 the Group acquired assets with a cost of £4.9 million (2020: six months £6.6 million – year £13.5 million). Assets with a carrying amount of £0.3 million were disposed of during the six months ended 30 June 2021 (2020: six months £0.3 million – year £7.7 million). Assets with a carrying amount of £2.1 million were classified as held for sale as at 30 June 2021 (2020: six months £7.2 million – year £nil).

13 Assets classified as held for sale/Liabilities related to assets classified as held for sale

At 30 June 2021, the assets and related liabilites of Abbey Metal Finishing Company Limited and its subsidiary Atfin GmbH were classified as held for sale. These companies have subsequently been sold. In addition, two London properties owned by the Group are currently marketed for sale and have also been classified as held for sale.

14 Borrowings

Borrowings (current and non-current) include loans of £4.2 million (loans 2020: six months £6.7 million – year £4.8 million) and bank overdrafts of £6.9 million (2020: six months £3.4 million – year £3.6 million). The following loans were repaid during the six months ended 30 June 2021:

	£'m
Balance at 1 January 2021	4.8
Exchange differences	(0.1)
Repayments	(1.9)
New loans	1.4
Balance at 30 June 2021	4.2

15 Provisions

	Wages and salaries £'m	Legal claims £'m	Others £'m	Total £'m
At 1 January 2020	7.7	–	1.2	8.9
Exchange differences	0.3	–	–	0.3
Utilised in the period	(1.6)	–	(0.5)	(2.1)
Provided in the period	5.5	–	0.4	5.9
At 30 June 2020	11.9	–	1.1	13.0
At 1 January 2020	7.7	–	1.2	8.9
Exchange differences	(0.5)	–	–	(0.5)
Utilised in the period	(7.3)	–	(0.3)	(7.6)
Provided in the period	10.5	8.2	0.2	18.9

Unused amounts reversed in period	(0.7)	–	–	(0.7)
At 31 December 2020	9.7	8.2	1.1	19.0
Exchange differences	(0.2)	(0.1)	–	(0.3)
Utilised in the period	(2.6)	(6.5)	(0.3)	(9.4)
Provided in the period	3.8	–	0.6	4.4
At 30 June 2021	10.7	1.6	1.4	13.7
Current:				
At 30 June 2021	10.7	1.6	1.4	13.7
At 31 December 2020	9.7	8.2	1.1	19.0
At 30 June 2020	11.9	–	1.1	13.0

The wages and salaries provisions are in respect of ongoing wage and bonus negotiations in India, Kenya and Bangladesh.

Legal claims related to the expected cost of the defence of the litigation concerning our East African operations, including settlements and progressive measures.

Others relate to provisions for claims and dilapidations.

16 Employee benefit obligations

The UK defined benefit pension scheme and the overseas pension, gratuity and medical benefit schemes operated in Group subsidiaries located in Bangladesh and India for the purpose of IAS 19 have been updated to 30 June 2021 from the valuations as at 31 December 2020 by the actuaries and the movements have been reflected in this interim statement.

An actuarial gain of £12.9 million was realised in the period in relation to the Group's employee obligations of which £13.7 million related to the UK defined benefit pension scheme. In relation to the UK defined benefit pension scheme a gain of £2.5 million was realised in relation to the scheme assets and a gain of £11.2 million was realised in relation to changes in the underlying actuarial assumptions. The assumed discount rate has increased to 1.80% (31 December 2020: 1.25%), the assumed rate of inflation (CPI) has increased to 2.30% (31 December 2020 2.05%) There has been no change in the mortality assumptions used.

17 Reconciliation of (loss)/profit to cash flow

	Six months ended 30 June 2021 £'m	*Six months ended 30 June 2020 £'m*	*Year ended 31 December 2020 £'m*
(Loss)/profit from operations	(7.9)	*(15.1)*	*5.0*
Share of associates' results	(3.8)	*(2.5)*	*(6.1)*
Depreciation and amortisation	6.1	*8.2*	*15.5*
Depreciation of right-of-use assets	0.5	*0.6*	*1.0*
Impairment of assets and provisions	0.5	*3.4*	*6.5*
Realised movements on biological assets – non-current	–	–	*(0.4)*
Financial assets fair value through profit or loss – gain	–	–	*(0.1)*
(Profit)/loss on disposal of non-current assets	(0.1)	*(0.1)*	*0.1*
Profit on disposal – non recurring items	–	–	*(14.4)*
Profit on disposal of financial assets	(0.1)	*(0.1)*	*(0.2)*
Movements in provisions	(5.0)	*3.8*	*10.8*
Increase in working capital	(5.0)	*(1.8)*	*6.3*
Difference between employee benefit obligations funding contributions and cost charged	1.3	*0.5*	*(4.7)*
Cash (used in)/generated from operations	(13.5)	*(3.1)*	*19.3*

18 Cash and cash equivalents

For the purposes of the cash flow statement cash and cash equivalents comprise:

	Six months ended 30 June 2021 £'m	*Six months ended 30 June 2020 £'m*	*Year ended 31 December 2020 £'m*
Cash and cash equivalents	73.2	*82.9*	*98.5*
Overdrafts repayable on demand (included in current liabilities – borrowings)	(6.9)	*(3.4)*	*(3.6)*

	66.3	*79.5*	*94.9*

19 Contingent liabilities

In Malawi the Revenue Authority (MRA) recently indicated that it intended to collect VAT on sales made at auction and under private treaty for export, in the period since 2017. Tea sales intended for the export market were subject to an industry wide agreement with the MRA and the Reserve Bank of Malawi reached at the time the auction was established, resulting in these deemed exports being zero rated for VAT. The MRA has raised an assessment for VAT against Eastern Produce Malawi in connection with this which has been appealed in light of the historic agreement and long-established custom and practice of the industry. Following discussions between the Malawi government, the MRA and the tea industry, the MRA has undertaken to investigate the sales process for export teas and to consider the implications of this on the VAT treatment of these deemed export sales. Pending conclusion of the review, the MRA has given permission for the auction to continue with teas deemed as export zero rated for VAT and the assessment raised against Eastern Produce Malawi has been suspended. Eastern Produce Malawi's estimated contingent liability for VAT on these deemed export sales, excluding any penalties and interest, is approximately £7.5 million.

In India, assessments have been received for excise duties of £3.5 million, sales and entry tax of £0.9 million and of £1.0 million for income tax matters. These are being contested on the basis that they are without technical merit.

In India, a long running dispute between our local subsidiaries and the Government of West Bengal over the payment of a land tax, locally called "Salami", remains unresolved. Lawyers acting for the Group have advised that payment of Salami does not apply, accordingly no provisions have been made. The sum in dispute, excluding fines and penalties, amounts to £1.2 million.

The Group operates in certain countries where its operations are potentially subject to a number of legal claims. When required, appropriate provisions are made for the expected cost of such claims.

20 Related party transactions

During the period the Group received rental income from The Camellia Foundation of £18,000 (2020: six months £18,000 – year £36,000).

21 Subsequent events

Subsequent to the period end, the Group purchased an 80% stake in Bardsley England for £15.7 million. The Group has also made a loan to Bardsley of £9.3 million. Bardsley is a major fruit farming business and the UK's second largest apple grower. The consideration, which was satisfied from existing resources, consists of £12.7 million which was paid at completion, with the balance of £3 million deferred and payable by July 2022.

Subsequent to the period end, the Group sold a significant portion of its financial assets at fair value through other comprehensive income consisting mainly of Japanese and other international equities. Total consideration received is approximately £14.2 million and the profit on disposal realised through other comprehensive income is approximately £9.2 million. No tax is expected to be payable on these gains.

Subsequent to the period end, the Group completed the sale of its interests in Abbey Metal Finishing Company Limited and its subsidiary Atfin GmbH in Germany.

APPENDIX

Agriculture track record

	For the year ending				
	2020	2019	2018	2017	2016
	£'m	£'m	£'m	£'m	£'m
Revenue					
Tea	198.4	194.0	198.8	198.4	170.2
Macadamia	13.0	15.9	15.3	10.2	9.7
Avocado	16.8	14.2	15.6	13.6	13.6
Other	19.0	14.6	15.6	17.2	13.6
Segment Total	247.2	238.7	245.3	239.4	207.1
Underlying trading profit					
Tea	7.9	6.7	24.9	25.8	22.7
Macadamia	1.0	5.5	5.3	0.4	0.2
Avocado	3.9	5.3	2.1	5.2	5.4
Other	5.5	1.5	4.3	4.2	1.6
Segment Total	18.3	19.0	36.6	35.6	29.9

Notes

Underlying trading profit is profit before impairments, profit on disposals of financial and other assets and before exceptional items or items considered non-operational in nature.

To be consistent with the statutory accounts for the relevant year, the following items have been excluded in arriving at the above underlying trading profit:

– Legal and other costs relating to the defence of the litigation concerning our East African operations.

– Release of provisions for wage increases relating to prior years following progress on negotiations.

– A charge in relation to workers profit participation in Bangladesh which mainly related to prior years obligations.

– The release of provisions in Bangladesh for post-employment benefit obligations from which the tea industry was exempted.

– Impairments of intangible assets and property, plant and equipment.