

SASINI PLC (A Member of Sameer Group)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 30th SEPTEMBER 2018 (Audited)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group 30.09.2018 Kes '000	30.09.2017 Kes '000	Company 30.09.2018 Kes '000	30.09.2017 Kes '000
Revenue	3,515,220	4,201,195	1,076,088	1,705,553
Gain/ (Losses) arising from fair value changes on biological assets	55,558	81,746	34,747	52,388
Results from Continuing operations	354,615	373,181	422,051	248,846
Finance income	112,663	141,864	32,067	72,180
Finance cost	(18,472)	(11,024)	(5,143)	(10,988)
Profit before tax from Continuing operations	448,806	504,021	448,975	310,038
Loss of Control				
Gain (loss) on Disposal of Subsidiary	-	16,900	-	(27,899)
Profit before tax	448,806	520,921	448,975	282,139
Tax expense	(155,283)	(181,514)	(31,352)	(47,082)
Profit for the year	293,523	339,407	417,623	235,057
Other Comprehensive Income				
Remeasurement of post employment benefits net of tax	8,453	(26,319)	909	1,693
Total comprehensive income	301,976	313,088	418,532	236,750
Profit/ (losses) attributable to:				
Non-controlling interest	(1,974)	(6,776)	-	-
Owners of the company	295,497	346,183	417,623	235,057
Profit for the year	293,523	339,407	417,623	235,057
Profits arising from operating activities	256,606	288,961	393,300	198,385
Gains / (losses) arising from changes in fair value in biological assets after tax	38,891	57,222	24,323	36,672
Profit attributable to the owners of the company	295,497	346,183	417,623	235,057
Earning per share (Kes) on operating activities	1.13	1.27	1.72	0.87
Earning / (loss) per share (Kes) on biological assets	0.17	0.25	0.11	0.16
Earning per share (Kes)	1.30	1.52	1.83	1.03
Issued and fully paid shares of Kes 1 each	228,055	228,055	228,055	228,055

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital Kes '000	Capital Reserves Kes '000	Revaluation Reserves Kes '000	Defined Benefit Reserves Kes '000	Biological Assets Fair Value Kes '000	Retained Earnings Kes '000	Proposed Dividends Kes '000	Non Controlling Interest Kes '000	Total Kes '000
At 1 October 2016	228,055	98,530	7,627,565	52,649	102,489	2,646,448	285,069	320,800	11,361,605
Total comprehensive income for the year	-	-	-	-	-	346,183	-	(6,776)	339,407
Profit for the year	-	-	-	-	-	346,183	-	(6,776)	339,407
Fair value losses on biological assets	-	-	-	-	57,222	(57,222)	-	-	-
Remeasurement of post employment benefits	-	-	-	(26,521)	-	-	-	202	(26,319)
Total comprehensive income for the year	-	-	-	(26,521)	57,222	288,961	-	(6,574)	313,088
Transactions with owners of the company recorded directly in equity									
Elimination on disposal of Subsidiary	-	-	-	-	-	(8,594)	-	(8,139)	(16,733)
Final dividend for 2016 paid	-	-	-	-	-	(285,069)	(285,069)	-	(570,138)
Interim dividend for 2017 paid	-	-	-	-	-	(57,014)	-	-	(57,014)
Second Interim dividend for 2017 payable	-	-	-	-	-	(171,042)	171,042	-	-
Total distribution to owners of the company At 30 September 2017	-	-	-	-	-	(236,650)	(114,027)	(8,139)	(358,816)
At 1 October 2017	228,055	98,530	7,627,565	26,128	159,711	2,698,759	171,042	306,087	11,315,877
Total comprehensive income for the year	-	-	-	-	-	295,497	-	(1,974)	293,523
Profit for the year	-	-	-	-	-	295,497	-	(1,974)	293,523
Fair value losses on biological assets	-	-	-	-	38,891	(38,891)	-	-	-
Remeasurement of post employment benefits	-	-	-	8,443	-	-	-	10	8,453
Total comprehensive income for the year	-	-	-	8,443	38,891	256,606	-	(1,964)	301,976
Transactions with owners of the company recorded directly in equity									
Dividend Paid to Minority Interest	-	-	-	-	-	-	-	(9,000)	(9,000)
Final dividend for 2017 paid	-	-	-	-	-	-	(171,042)	-	(171,042)
Interim dividend for 2018 paid	-	-	-	-	-	(114,028)	-	-	(114,028)
Second Interim dividend for 2018 payable	-	-	-	-	-	(114,028)	114,028	-	-
Total distribution to owners of the company At 30 September 2018	-	-	-	-	-	(228,056)	(57,014)	(9,000)	(294,070)
At 30 September 2018	228,055	98,530	7,627,565	34,571	198,602	2,727,309	114,028	295,123	11,323,783

COMPANY STATEMENT OF CHANGES IN EQUITY

	Share Capital Kes '000	Capital Reserves Kes '000	Revaluation Reserves Kes '000	Defined Benefit Reserves Kes '000	Biological Assets Fair Value Kes '000	Retained Earnings Kes '000	Proposed Dividends Kes '000	Non Controlling Interest Kes '000	Total Kes '000
At 1 October 2016	228,055	40,594	5,517,443	2,647	57,401	1,038,457	285,069	-	7,169,666
Total comprehensive income for the year	-	-	-	-	-	235,057	-	-	235,057
Profit for the year	-	-	-	-	-	235,057	-	-	235,057
Fair value gain on biological assets	-	-	-	-	36,672	(36,672)	-	-	-
Remeasurement of post employment benefits net of tax	-	-	-	1,693	-	-	-	-	1,693
Total comprehensive income for the year	-	-	-	1,693	36,672	198,385	-	-	236,750
Transactions with owners of the company recorded directly in equity									
Final dividend for 2016 paid	-	-	-	-	-	-	(285,069)	-	(285,069)
Interim dividend for 2017 paid	-	-	-	-	-	(57,014)	-	-	(57,014)
Second Interim dividend for 2017 payable	-	-	-	-	-	(171,042)	171,042	-	-
Total distribution to owners of the company At 30 September 2017	-	-	-	-	-	(228,056)	(114,027)	-	(342,083)
At 1 October 2017	228,055	40,594	5,517,443	4,340	94,073	1,008,786	171,042	-	7,064,333
Total comprehensive income for the year	-	-	-	-	-	417,623	-	-	417,623
Profit for the year	-	-	-	-	-	417,623	-	-	417,623
Fair value gain on biological assets	-	-	-	-	24,323	(24,323)	-	-	-
Remeasurement of post employment benefits net of tax	-	-	-	909	-	-	-	-	909
Total comprehensive income for the year	-	-	-	909	24,323	393,300	-	-	418,532
Transactions with owners of the company recorded directly in equity									
Final dividend for 2017 paid	-	-	-	-	-	-	(171,042)	-	(171,042)
Interim dividend for 2018 paid	-	-	-	-	-	(114,028)	-	-	(114,028)
Second Interim dividend for 2018 payable	-	-	-	-	-	(114,028)	114,028	-	-
Total distribution to owners of the company At 30 September 2018	-	-	-	-	-	(228,056)	(57,014)	-	(285,070)
At 30 September 2018	228,055	40,594	5,517,443	5,249	118,396	1,174,030	114,028	-	7,197,795

The above extract is based on the consolidated financial statements of Sasini PLC for the year ended 30th September 2018 as audited by KPMG Kenya upon which they issued an unqualified opinion and raised the Key Audit Matters relating to assumptions and judgments used by management in the areas summarized below:

- Valuation of biological assets - determining fair values and changes in fair value of biological assets.
- Deferred tax arising from tax losses.

STATEMENT OF FINANCIAL POSITION

	Group 30.09.2018 Kes '000	30.09.2017 Kes '000	Company 30.09.2018 Kes '000	30.09.2017 Kes '000
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	8,679,878	8,827,710	5,854,109	5,955,317
Capital Work-in-progress	555,032	188,688	118,426	71,808
Intangible Assets	16,030	4,871	15,033	3,660
Biological Assets	1,046,978	1,171,379	59,478	56,748
Prepaid leases - leasehold land	10,509	17,585	-	6,974
Investments in Subsidiary Companies	-	-	145,797	145,797
Available-for-sale financial assets	525	525	-	-
Deferred tax asset	6,997	97	-	-
	10,315,949	10,210,855	6,192,843	6,240,304
CURRENT ASSETS				
Inventories	411,712	284,214	79,558	73,426
Trade and Other receivables	730,321	997,224	253,451	541,917
Biological Assets	283,033	251,034	223,123	190,069
Amount due from related companies	1,000	18,005	802,082	141,547
Tax recoverable	83,756	27,817	21,200	30,393
Cash and Bank balances	1,135,609	1,406,876	147,162	524,718
	2,645,431	2,985,170	1,526,576	1,502,070
TOTAL ASSETS	12,961,380	13,196,025	7,719,419	7,742,374
EQUITY AND LIABILITIES				
Equity				
Capital and reserves				
Share Capital	228,055	228,055	228,055	228,055
Non - Distributable Reserves	7,959,268	7,911,934	5,681,682	5,656,450
Distributable Reserves	2,841,337	2,869,801	1,288,058	1,179,828
	11,028,660	11,009,790	7,197,795	7,064,333
Non controlling Interest	295,123	306,087	-	-
Total equity	11,323,783	11,315,877	7,197,795	7,064,333
Non-current liabilities				
Deferred tax liability	882,430	894,847	380,425	366,227
Post - employment benefits	296,088	281,360	24,593	22,327
	1,178,518	1,176,207	405,018	388,554
Current liabilities				
Borrowings	-	100,852	-	100,852
Post - employment benefits	36,042	41,602	5,674	4,929
Amounts due to related companies	-	90	-	-
Trade and Other Payables	402,595	547,496	110,932	183,706
Tax payable	20,442	13,901	-	-
	459,079	703,941	116,606	289,487
TOTAL EQUITY AND LIABILITIES	12,961,380	13,196,025	7,719,419	7,742,374
CASHFLOW STATEMENT				
OPERATING ACTIVITIES				
Cash Flow Generated from Operations	432,722	73,899	(112,374)	(118,187)
Gratuity paid	(32,430)	(22,082)	(1,189)	(1,109)
Income taxes paid	(230,084)	(280,389)	(7,588)	(93,310)
Net cash flows (used in)/generated from operating activities	170,208	(228,572)	(121,151)	(212,606)
INVESTING ACTIVITIES				
Purchase of Property, plant and equipment	(52,629)	(105,782)	(9,580)	(66,310)
Purchase of Intangible Assets	(16,218)	(866)	(15,716)	(553)
Movement / (Purchase) in biological assets	148,277	(703)	(498)	(412)
Purchase of capital Work in progress	(368,395)	(131,509)	(47,259)	(14,629)
Interest received	94,738	111,947	14,097	44,667
Proceeds on sale of property, plant and equipment	143,840	18,434	142,237	16,645
Dividend received from Subsidiary company	-	-	51,000	200,000
Proceeds on disposal of Subsidiary	-	41,171	-	42,000
Investment in Subsidiaries	-	-	-	(30,000)
Net cash flow (used in)/generated from investing activities	(50,387)	(67,308)	134,281	191,408
FINANCING ACTIVITIES				
Interest paid	(5,166)	(10,547)	(4,764)	(10,536)
Proceeds from bank loans	175,969	455,329	175,969	455,329
Loans repayments	(276,821)	(356,674)	(276,821)	(356,674)
Dividend paid on ordinary shares	(285,070)	(342,083)	(285,070)	(342,083)
Net cash flow used in financing activities	(391,088)	(253,975)	(390,686)	(253,964)
Net decrease in cash and cash equivalents	(271,267)	(549,855)	(377,556)	(275,162)
Cash and cash equivalents at the beginning of the period	1,406,876	1,954,551	524,718	797,943
Net foreign exchange rate gains / (losses)	-	2,180	-	1,937
Cash and cash equivalents at the end of the period	1,135,609	1,406,876	147,162	524,718

COMMENTS ON THE RESULTS FOR THE YEAR ENDED 30 September 2018

The year began on a low note and political uncertainty after the long electioneering period. This was escalated by the labour strike in the tea sector with the latter action significantly affecting production and the quality of tea. This had an