

SASINI LIMITED

RIVAAN CENTRE, WESTLANDS. P. O. BOX 30151-00100, NAIROBI (A Member of Sameer Group)

ANNOUNCEMENT OF RESULTS FOR THE SIX MONTHS ENDED 31 MARCH 2017 (Unaudited)

STATEMENT OF COMPREHENSIVE INCOME									pany STATEMENT OF FINANCIAL POSITION.		Group Company							
						31.03.2017 Ksh'000	31.03.2016 Restated Ksh'000	31.03.2017 Ksh'000	31.03.2016 Restated Ksh'000	ASSETS	31.03.2017 Ksh '000	30.09.2016 Restated Ksh '000	30.09.2015 Restated Ksh '000	30.09.2014 Restated Ksh '000	31.03.2017 Ksh '000	30.09.2016 Restated Ksh '000	30.09.2015 Restated Ksh '000	30.09.2014 Restated Ksh '000
Revenue							1,587,013	379,734	351,079									
Losses arising from changes in fair value of biological assets less cost to sell							(10,070)	(44,157)	(12,070)	NON-CURRENT ASSETS Property, plant and equipment	8,910,340	8,888,273	8,972,529	8,573,631	5,996,004	5,954,537	6,018,686	5,828,747
Results from operating activities							218,425	28,749	99,268	Capital Work-in-progress Intangible Assets	60,785 6,929	58,724 7,275	33,358 8,393	29,678 8,210	59,240 5,195	57,179 5,541	5,855	6,330
Finance income Finance cost							48,062 15,683	31,544 (4,530)		Biological Assets Prepaid leases - leasehold land Investments in Subsidiary Companies Available-for-sale financial assets	1,241,846 10,592 - 525	1,322,455 17,838 - 525	1,426,152 18,473 - 525	561,834 20,074 - 525	106,282 - 172,697	194,015 7,077 172,697	221,902 7,633 172,697	193,640 7,760 172,697
Profit before tax							282,169	55,763	113,512		26,192 10,257,208	26,192 10,321,282	77,070 10,536,500	23,070 9,217,022	6,339,418	6,391,047	6,426,773	6,209,173
Tax expense						(33,125)	(84,651)	(16,729)	(34,054)	CURRENT ASSETS Inventories	875,659	364,524	341,362	318,063	574,004	94,723	96,595	78,192
Profit for the year						77,293	197,519	39,034	79,458	Trade and Other receivables Amount due from related companies	624,445	456,078 2,397	510,106 1,209	582,494 1,198	333,271	140,863 328,450	205,944 31,429	292,425 251,535
Profit/ (losses) attributable to: Non-controlling interest.						(684)	2,627	- 70.074	70.450	Tax recoverable Cash and Bank balances	1,957,582 3,457,687	7,307 1,954,551 2,784,857	5,474 1,200,514 2,058,665	17,463 325,865 1,245,083	1,185,526 2,092,800	797,943 1,361,979	317,023 650,991	144,813 766,965
Owners of parent						77,977 77,293	194,892 197,519	39,034 39,034	79,458 79,458	TOTAL ASSETS	13,714,895	13,106,139	12,595,165	10,462,105	8,432,218	7,753,026	7,077,764	6,976,138
Profits arising from operating activities. Losses arising from changes in fair value in biological assets after tax.						107,909 (29,932)	202,029 (7,137)	69,944 (30,910)	87,908 (8,450)	EQUITY AND LIABILITIES								
						77,977	194,892	39,034	79,458	Capital and reserves Share Capital	228,055	228,055	228,055	228,055	228,055	228,055	228,055	228,055
Earning per share (Kshs) on operating activities Earning /(loss) per share (Kshs) on biological assets						0.47 (0.13)	0.89 (0.03)	0.31 (0.14)		Non - Distributable Reserves Distributable Reserves	7,877,330 2,727,729	7,907,263 2,904,889	8,367,813 2,201,242	7,165,281 1,427,709	5,560,684 1,181,641	5,591,595 1,350,016	5,779,547 686,917	5,585,467 399,834
Earning per share (Kshs)						0.34	0.85	0.17	0.35	Non controlling Interest	10,833,114 312,464	11,040,207 321,399	10,797,110 346,841	8,821,045 172,693	6,970,381	7,169,666	6,694,519	6,213,356
Issued and fully paid shares of Kshs 1 each				228,055	228,055	228,055	228,055	Total equity	11,145,578	11,361,605	11,143,951	8,993,738	6,970,381	7,169,666	6,694,519	6,213,356		
CONSOLIDATED STATEMENT OF CHANGI				Defined	Biological			Non		Non- current liabilities								
	Share Capital	Capital Reserves	Revaluation Reserves	Benefit Reserves	Assets Fair Value	Retained Earnings	Proposed Dividends	Controlling Interest		Deferred tax liability Post employment benefits	924,708 248,935	941,723 232,488	766,687 216,814	663,007 270,520	347,894 22,942	361,273 21,847	190,160 15,113	118,458 21,094
At 1 October 2015 as previously stated Impact of change in accounting policy	Ksh '000 228,055	Ksh '000 98,530	Ksh '000 7,887,974	Ksh '000 50,520	Ksh '000 2,702,081 (2,371,292)	Ksh'000 2,144,228	Ksh'000 57,014	Ksh'000 390,103 (43,262)		Current liabilities	1,173,642	1,174,211	983,501	933,527	370,836	383,120	205,273	139,552
At 1 October 2015 restated Total comprehensive income for the period Profit for the period	228,055	98,530	7,887,974	50,520	330,789	2,144,228 194,892	57,014	346,841 2,627	11,143,951	Bank loan Post employment benefits	304,320 26,979	26,979	28,596	10,373	304,320 3,721	- 3,721	3,208	-
Fair value losses on biological assets restated	-	-	-	-	(7,137)	7,137	-	-,	-	Amounts due to related companies	-	531	1,082	681	302,308	-	49,499	357,805
Total comprehensive income for the period	228,055	98,530	7,887,974	50,520	323,652	2,346,257	57,014	349,468	11,341,470	Trade and Other Payables Tax payable	1,054,234 10,141 1,395,674	487,043 55,770 570,323	429,139 8,895 467,712	522,368 1,418 534,840	466,121 14,532 1,091,002	176,455 20,064 200,240	123,862 1,403 177,972	264,008 1,418 623,231
Transactions with owners of the company recorded directly in equity										TOTAL EQUITY AND LIABILITIES	13,714,895			10,462,105	8,432,218	7,753,026	7,077,764	6,976,138
Final dividend for 2015 paid Interim dividend for 2016	-	-	-	-	-	(57,014)	(57,014) 57,014	-	(57,014)									
Total distribution to owners of the company	-		-	-	-	(57,014)	-		(57,014)		Group	30.09.2016			Company	30.09.2016		
At 31 March 2016 restated	228,055	98,530	7,887,974	50,520	323,652	2,289,243	57,014	349,468		CASHFLOW STATEMENT	31.03.2017 Ksh '000	Restated Ksh '000			31.03.2017 Ksh '000	Restated Ksh '000		
At 1 October 2016 as previously stated Impact of change in accounting policy	228,055	98,530	7,627,565	52,649	2,684,421 (2,555,902)	2,619,820	285,069	364,123 (42,724)	(2,598,627)	OPERATING ACTIVITIES Cash Flow Generated from Operations	119,499	615,584			401,733	(18,925)		
At 1 October 2016 restated Total comprehensive income for the period	228,055	98,530	7,627,565	52,649	128,519	2,619,820	285,069	321,399	11,361,605	Gratuity paid Income taxes paid	(71,529)	(28,737) (157,938)			(22,379)	(914) (56,757)		
Profit for the period Fair value losses on biological assets	-	-	-	-	(29,932)	77,977 29,932	-	(684)	77,292	Net cash flows (used in) generated from operating activities	47,970	428,909			379,353	(76,596)		
										Purchase of Property, plant and equipment	(92,421)	(62,350)			(66,304)	(39,089)		
Total comprehensive income for the period	228,055	98,530	7,627,565	52,649	98,586	2,727,729	285,069	320,714	11,438,897	Purchase of Intangible Assets Purchase of biological assets	(4,681)	(1,740) (16,322)			(731)	(1,740) (6,487)		
Transactions with owners of the company recorded directly in equity							(205.000)	(0.250)	(207.710)	Capital Work in progress Interest received	(2,061) 40,750	(73,121) 116,257			(2,061) 9,255	(57,179) 19,695		
2nd Interim dividend for 2016 paid Total distribution to owners of the company		-	-		-		(285,069)	(8,250) (8,250)		Dividend received from Subsidiary company Proceeds on sale of property, plant and equipment Net cash flow used in investing activities	/EQ //17\	482,704			46,750	276,750 482,557		
At 31 March 2017	228,055	98,530	7,627,565	52,649	98,586	2,727,729	(285,069)	312,464	11,145,578		(58,413)	445,428			(13,092)	674,507		
COMPANY STATEMENT OF CHANGES IN	EQUITY			Defined	Biological			Non		Interest paid Proceeds from bank loans	(4,530) 304,320	(3,028)			(4,530) 304,320	(2,973)		
	Share Capital	Capital Reserves	Revaluation Reserves	Benefit Reserves	Assets Fair Value	Retained Earnings	Proposed Dividends	Controlling Interest	Total	Loans repayments Dividend paid on ordinary shares	(293,319)	(114,028)			(285,069)	(114,028)		
At 1 October 2015 as previously stated	Ksh '000 228,055	Ksh '000 40,594	Ksh '000 5,678,118	Ksh '000 5,456	Ksh '000 1,179,161	Ksh'000 629,903	Ksh'000 57,014	Ksh'000		Net cash flow used in financing activities	6,471	(117,056)			14,721	(117,001)		
Impact of change in accounting policy At 1 October 2015 restated	228,055	40,594	5,678,118	5,456	(1,123,782) 55,379	629,903	57,014	-	(1,123,782) 6,694,519									
Total comprehensive income for the period Profit for the period	-	_	_			79,458		_		Net (Decrease) /Increase in Cash and cash equivalents Cash and cash equivalents at the beginning of the period	(3,972) 1,954,551	757,281 1,200,514			380,983 797,943	480,910 317,023		
Fair value losses on biological assets	-	-	-	-	(8,450)	8,450	-	-		Net foreign exchange rate gains /(losses) Cash and cash equivalents at the end of the period	7,003 1,957,582	(3,244) 1,954,551			6,599 1,185,526	10 797,943		
Total comprehensive income for the period	228,055	40,594	5,678,118	5,456	46,929	717,811	57,014	-	6,773,977	COMMENTS ON THE RESULTS (UN			E SIX MO	NTH PER		D 31ST N	ARCH, 2	2017
Transactions with owners of the company recorded directly in equity							/		(m	The financial performance for the half year ended Kshs 107.9 million compared to a profit of Kshs. 2	202.0 million	(restated) i	n the same p	period in the	previous ye	ear.		,
Final dividend for 2015 paid Interim dividend for 2016	-	-	-	-	-	(57,014)	(57,014) 57,014	-	(57,014)	The decrease in performance recorded over this period was contributed by adverse weather conditions which led to lower production volum both tea and coffee. The rising input costs especially labour cost and lower prices in the first quarter, contributed to the decline in profitabilit								
Total distribution to owners of the company At 31 March 2016	228,055	40,594	5,678,118	5,456	46,929	(57,014) 660,797	57,014	-	(57,014) 6,716,963	The net loss from changes in the valuation of bio								
At 1 October 2016 as previously stated	228,055	40,594	5,517,443	2,647	1,185,294	1,064,947	285,069	-	8,324,049						and promo	te sustainal	bility despite	
Impact of change in accounting policy At 1 October 2016 restated	228,055	40,594	5,517,443	2,647	(1,154,383) 30,911	1,064,947	285,069	:	(1,154,383) 7,169,666	at the to the state of the state of	various pro	jects which						
Total comprehensive income for the period										Company will be able to achieve underlying oppo	ortuinides ds	arcy arise.						

Certifications

Total comprehensive income for Profit for the period Fair value gain on biological assets

Transactions with owners of the company recorded directly in equity Dividend received from Subsidiary 2nd Interim dividend for 2016 paid Total distribution to owners of the co

At 31 March 2017

ISO 22000: 2005 Certified Rainforest Alliance Certification Flo Cert Certification C.A.F.E. Practices
UTZ KAPEH Certification

228.055

40,594



2,647

5,517,443





46,750

46,750

1,181,641



In view of the profitability, the Board recommends the payment of an interim dividend of Kshs. 0.25 (25%) per share for the period ended 31st March 2017, payable less withholding tax, where applicable, on or about 4th July 2017, to the members on the register at close of business on 20th June 2017.

Restatement of the financials

These financials incorporate the amendments to IAS41- Agriculture and IAS 16- Property, Plant and Equipment that require that a bearer plant be accounted for as property, plant and equipment while the produce remain within the scope of IAS 41.

The Board expects that the profitability for the financial year will be lower by more than 25% of the prior year's profit due to the substantial gains on disposal of assets registered in the prior year. The Board therefore announces a profit warning pursuant to Regulation G.05 (1) (f) & (2) of the Fifth Schedule of the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002 and for the information of investors and the general public.

lames way I have J.B. McFie PhD Chairman 25th May, 2017

Stephen Githiga, CPA (K), MBA Group Managing Director

(285,069) (238,319)