



PROFIT WARNING ANNOUNCEMENT

FINANCIAL YEAR ENDING 30 JUNE 2017

UNGA GROUP LIMITED (the Company) makes this announcement pursuant to Regulation G.05 (1) (f) and (2) of the Nairobi Securities Exchange Listing Manual and the Capital Markets (Securities)(Public Offers, Listing and Disclosure) Regulations, 2002.

Based on the Company's unaudited financial results for the first six months ended 31 December 2016 and the Company's preliminary second half forecast, full year profit before tax is likely to be at least 25% lower than prior year.

Adverse weather experienced in the region has led to challenges in supply and cost of raw materials. Difficulties in the modern trade business are negatively impacting revenue and cash flow. The continued depreciation of the Kenya and Uganda Shillings against the US Dollar is impacting profitability.

By order of the Board

Winnifred Jumba
Company Secretary

23 February 2017