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ANNUAL REPORT & FINANCIAL STATEMENTS

2008

ANNUAL REPORT AND FINANCIAL STATEMENTS 2008

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1. Unga group limited -- Periodicals.
2. Corn Industry -- Kenya-Periodicals.



Notice of Meeting

NOTICE IS HEREBY GIVEN that the Eighty First Annual General Meeting of the Company will be held at the Panafric Hotel, Kenyatta Avenue, Nairobi on Thursday, 27 November 2008 at 10.00 a.m. for the following purposes:-

AGENDA

ORDINARY BUSINESS

1. To read the notice of the meeting.
2. To confirm the minutes of the Eightieth Annual General Meeting held on 30 November 2007.
3. To receive the Chairman's report.
4. To receive and adopt the Audited Financial Statements for the financial year ended 30 June 2008 together with the reports of the Directors and the Auditors thereon.
5. To note that the Directors do not recommend payment of a dividend for the financial year ended 30 June 2008.
6. Election of Directors:-
 - i) Mr R Kemoli, who has attained the age of over 70 years, retires in accordance with Section 186 (2) of the Companies Act (Cap 486). Special Notice is hereby given that a notice has been received in accordance with Sections 142 and 186 (5) of the Companies Act that it is intended to pass the following resolution as an ordinary resolution:

"That Mr R Kemoli, who has attained the age of over 70 years be and is hereby re-elected a director of the Company".
 - ii) Mr Andrew S M Ndegwa retires in accordance with Articles 88 and 89 of the Company's Articles of Association and, being eligible, offers himself for re-election.
 - iii) Mrs Isabella Ochola - Wilson retires in accordance with Articles 88 and 89 of the Company's Articles of Association and, being eligible, offers herself for re-election.
7. To approve the Directors' remuneration as shown in the Financial Statements for the year ended 30 June 2008.
8. To re-appoint Messrs Deloitte & Touche in office as Auditors under Section 159(2) of the Companies Act (Cap 486) and to authorise the Directors to fix their remuneration for the ensuing financial year.

SPECIAL BUSINESS

9. Increase of Authorised Share Capital.

2008/1627

To consider and, if thought fit, pass the following resolution which will be proposed as an ordinary resolution:-

"That the authorised share capital of the Company be increased from Shillings Three Hundred and Fifty Million, Six Hundred and Seventy Three Thousand, Two Hundred and Eighty (Shs 350,673,280/-) divided into Seventy Million, One Hundred and Thirty Four Thousand, Six Hundred and Fifty Six (70,134,656) Ordinary shares of Shillings Five (Shs 5/-) each to Shillings Four Hundred and Thirteen Million, Eight

Notice of Meeting (continued)



Hundred Thousand (Shs 413,800,000/-) divided into Eighty Two Million, Seven Hundred and Sixty Thousand (82,760,000) Ordinary shares of Shillings Five (Shs 5/-) each by the creation of Twelve Million Six Hundred and Twenty Five Thousand, Three Hundred and Forty Four (12,625,344) new Ordinary shares of Shillings Five (Shs 5/-) each to rank pari passu in all respects with the existing Ordinary shares of the Company".

10. Bonus Issue

That subject to the passing of the above resolution, and subject to the Company receiving all regulatory approvals including but not limited to the approval of the Capital Markets Authority, to consider and, if thought fit, pass the following resolution which will be proposed as an ordinary resolution:-

"That it is desirable in pursuance of Article 133 of the Company's Articles of Association to capitalise the sum of Shillings Sixty Three Million Ninety Thousand Seven Hundred and Twenty Five (Shs 63,090,725/-) being part of the amount standing to the credit of the revenue reserve of the Company as at 30 June 2008 and accordingly that such sum be capitalised and that the Directors be and are hereby authorised and directed to appropriate such sum to the holders of Ordinary shares registered at the close of business on a date to be fixed by the Directors and advised to shareholders through the Press being not more than thirty days after receipt by the Company of the necessary consent from the relevant authorities, from whom permission has been sought, in proportion to the number of Ordinary shares held by them respectively on such date and to apply such sum on behalf of such holders in paying up in full at par Twelve Million, Six Hundred and Eighteen Thousand, One Hundred and Forty Five (12,618,145) of the unissued shares in the capital of the Company, such shares to be allotted, distributed and credited as fully paid up to and amongst such holders in the proportion of 1 new Ordinary share for every 5 Ordinary shares then held, and that such new shares shall rank for all purposes pari passu with the existing issued Ordinary shares of the Company and that the Directors be and are hereby authorized to effect all acts and things required to give effect to this Resolution and to deal with fractions in such manner as they think fit subject always to the Articles of Association of the Company".

BY ORDER OF THE BOARD

J L G Maonga
SECRETARY

15th October 2008

Notes:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote in his stead and a proxy need not be a member of the Company.
2. In the case of a member being a limited Company this form must be completed under its common seal or under the hand of an officer or attorney duly authorised in writing.
3. To be valid, a form of proxy, which is provided with this report, must be duly completed by the member and must be lodged at the Company's Offices, Ngano House, Commercial Street, Industrial Area, P O Box 30096, 00100-Nairobi, or posted in time to reach not later than 10.00 a.m. on 25 November 2008.

Directors' Profiles



Richard Kemoli HSC, MBE- Chairman (73)

Appointed to the Board in January 1984. He holds a BSc (Econ) from University of Makerere, Kampala. He had a successful 33-year career with Commonwealth Corporation and has held directorships in several private and public sector institutions. He is currently the Chairman of Lafarge Bamburi Cement Limited and is a director of East Africa Breweries Limited and CMC Holdings Limited.

Jeremiah G Kiireini EGH, EBS, SS – Non Exec (79)

Appointed to the Board in January 1984. He worked in the Kenya Civil Service for 30 years where he held various senior positions culminating in his appointment as Chief Secretary, Head of Civil Service and Secretary to the Cabinet. He is the current Chairman of East African Breweries Limited and has directorships in many other companies including CMC Holdings Limited group of companies and CFC Stanbic Bank Limited.

Andrew S Ndegwa - Non Exec (40)

Appointed to the Board in September 2001. He holds a MA (Hons) degree in Philosophy, Politics and Economics from Oxford University, UK. He worked in the banking industry for four years before moving to First Chartered Securities Limited where he is the Executive Director. He holds many directorships among which are East African Breweries Limited and NIC Bank Limited.

Nicholas C Hutchinson - Exec (52)

Appointed to the Board in May 2003, having become the Group Managing Director of Unga Holdings Limited in September 2000. He holds a BSc (Hons) degree in Horticulture from the University of London and has many years of business management experience working for Monsanto Company in East Africa, Europe, North America and South Asia.

Alan McKittrick - Non Exec (53)

Appointed to the Board in September 1998. An engineer by profession and Group Managing Director of NAS Holdings Limited for the past 13 years, he has other directorships and considerable experience in Eastern and Southern Africa in the manufacturing and production sectors including the livestock industry. He was the Group's Managing Director between September 1998 and May 2003.

Vitalis O Ojode-Non Exec (63)

Appointed to the Board in May 2003. He is a BCom (Hons) graduate from University of Nairobi; a Fellow of the Association of Chartered Certified Accountants (FCCA) and an Associate of the Institute of Certified Public Accountants of Kenya (ICPAK). He worked for UDV Kenya for many years where he held several directorships in the group both in Kenya and Tanzania. He was the Group's Finance Director between November 2001 and May 2006.

Jinaro K Kibet- Non Exec (45)

Appointed to the Board in February 2005. He holds an LLB degree from University of Nairobi; is an Advocate of the High Court of Kenya and a partner in the Law firm of Ochieng, Onyango, Kibet and Ohaga-Advocates. He holds other directorships including Standard Assurance Company Limited and Mitchell Cotts Ventures Limited.

Mrs Isabella Ochola-Wilson - Non Exec (59)

Appointed to the Board in June 2006. She has a BA degree in Business Administration from University of Dar-es-Salaam and an MBA (Marketing) from University of British Columbia, Canada. She has many years of management experience working for Johnson and Johnson (K) Limited. She has a directorship in NIC Bank Limited, among others.

John L G Maonga- Company Secretary (47)

Appointed Company Secretary in 2002. He holds a BA degree from University of Nairobi and is a Certified Public Secretary. He is a member of ICPSK and has over 21 years in Company Secretarial and Registration Services.

Chairman's Statement



Last year I asserted that a strong company should be ready for market turbulence, and be geared to succeed no matter what. That notion was put to a severe test in 2008. The Unga Group rose to the challenge.

Kenya was deeply wounded by the post-election violence – especially but not only in human toll; also in loss of large areas of farm production, disruption to supplies and severe collateral damage to the whole economy. This led to even higher wheat prices, shortages of maize and other raw materials, further compounded by unprecedented increase in fuel prices and consequent inflation which increased production costs and dampened consumer spending power. Conditions were indeed turbulent.

The Unga Group was ready, having made timely investment in capacity and modernisation, and above all having focused on the skills and spirit of its people. The premium position of Unga brands was reinforced; even at the hardest times we maintained uncompromising attention to quality, and consumers recognised this value with their purchase decisions. The Group achieved a higher turnover and improved margins, and increased its profit-before-tax by 260%.

This result owes much to the new Vision, Mission and Core Values which were rolled out in 2007. That momentum will be sustained with even greater emphasis on training and staff development, the constant search for improvements in production and distribution processes, all backed by realistic investment.

The company will maintain commitment to its social responsibilities, particularly through its programmes for HIV/Aids orphans and environmental conservation projects.

The Group has made profits for four consecutive years. However, in view of previous poor financial performance and the need for capital to undertake further plant modernisation, payment of a dividend would not be prudent. Instead, the Board has recommended a bonus issue in the ratio of 1 share for every 5 shares held, subject to statutory approvals.

The bonus issue suitably marks the 100th anniversary of the oldest company in the Group, Unga Limited, in the coming year. The celebration of that proud history has been well earned, not only and certainly not least by the Management, Staff and Board of Unga Limited, who have our congratulations, our thanks and our confidence as they lead the company into its second century.

Future Outlook

The Unga Group will continue to grow its strength and its size primarily through investment in its people, and they in turn will drive efficiency and innovation in production and distribution, and optimise investment programmes. These include modernisation of plant and expansion of capacities as together we focus on building the core business - milling and distributing high quality flour and animal nutrition products - to enhance customer wishes and shareholder value. To this end, an upgraded Feeds plant at Dakar Road will be ready for commissioning in mid 2010.

At the same time, we continue to explore partnerships and/or acquisitions to expand our geographical coverage, distribution leverage and product range. I emphasise that our investment in these growth opportunities will be assessed for their synergy with - and ability to add value to - our core business.

Appreciation

The results of 2008 did not just happen to us. They were earned by clear thinking and very hard work. I take this opportunity to convey my appreciation to the Management and Staff of the Group for their effort and dedication and imagination; to my fellow Directors for their diligence and foresight; and to our partners and shareholders for their confidence.

R Kemoli
Chairman

Managing Director's Report



The industry as a whole faced serious supply constraints – high prices and shortages – exacerbated by the post election violence. Though volume growth in the food business was thus especially difficult, enhanced procurement policies, improved production efficiencies, better inventory management, and marketing innovation delivered excellent performance.

Turnover increased by 23% to Shs 9.5 billion (2007: Shs 7.7 billion); Profit before tax increased by 260% to Shs 564 million (2007: Shs 157 million) boosted by better margins, particularly in the wheat division.

The balance sheet continues to strengthen; net current assets increased by 84% over prior year; bank borrowings were fully repaid (2007: Shs 333 million), paving the way for new borrowing which will be required to fund further plant modernisation.

Sector Performance

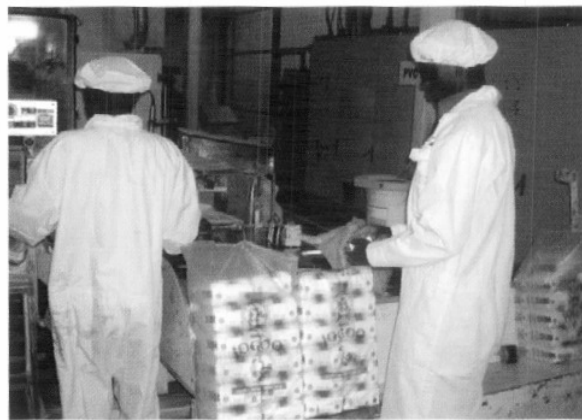
Foods

Raw materials prices and shortages were persistent throughout, and post election violence was particularly disruptive to distribution of flour. However, profit before tax in this segment increased by 526%, benefiting mostly from improved margins in the wheat division.

We increased milling capacity to meet improved consumer demand. The decision to offer Exe® All Purpose and the Familia® brands in small-pack sizes was effective, giving consumers affordable access to key foods even at the most difficult times. Exe® and Jogoo® were awarded Superbrands Status by the East African Superbrands Council.



Packing of Exe® All Purpose at Commercial Street, Nairobi



Jogoo® being packed at the Eldoret plant

Animal Health and Nutrition

Maintaining the highest quality was key to Unga's good performance. In turbulent conditions, consumers themselves need to be even more sure of reliable and consistent value. Fully justified confidence in Unga's standards was reflected in growth of volume and market share.

Managing Director's Report (continued)



Unga High Phosphorous Dairy Mineral being packed at the Mineral Plant, Nakuru



Packing of Kenchic Broiler Finisher pellets at Nakuru Feeds plant

Packaging

This sector performed better than prior year, resulting from growth in bleached paper packet production and improved margins driven by a relatively strong Kenya shilling.

A third bag line was installed to cope with increased demand for bleached paper.



Packaging materials for Exe® All Purpose being packed at Bullpak, Thika

Human Capital and People Development

The Group's commitment to training and development of its people continued. Management piloted a "360 degree" feedback process to enhance competency development. A company-wide employee satisfaction survey was conducted to determine reasons for staff turnover in relation to Company structure and the findings will guide remedial action.

Managing Director's Report (continued)



Corporate Social Investment

We continue to take seriously our responsibilities as a member of the communities where we operate - partnering with other companies in a broad and sustained campaign against HIV/Aids; visiting children's homes and donating foodstuff, materials and cash, initiating income-generating projects and planting trees.

Future Outlook

Wheat prices continue to be high, with the resultant flour prices depressing consumer demand and placing pressure on margins.

Maize is expected to be in short supply throughout the current financial year, impacting product supply and milling by-product availability.

The Kaizen Lean system of continual improvement is being rolled out supported by a reward recognition programme, to all units within the Group. Training and adoption will continue to be facilitated by Gemba Kaizen workshops to optimise efficiencies in plant maintenance and inventory control.

Distribution is an often underestimated but crucial component of progressive and profitable volume growth, and a Supervised Route Distribution Effectiveness programme, initiated in July 2008, is expected to motivate improved market coverage.

Unga Limited

Unga Limited's formal centenary spans several months. The company was founded by Lord Delamere, a prominent settler farmer who saw the enormous potential of wheat in Kenya. He grew the crop, and started "a little company" to build a mill to ensure a market for it.

Unga Limited was incorporated on 28 December 1908 as "millers of wheat, maize and manufacturers of animal feeds". It held its first meeting on 16 January 1909. Milling began on 5 April 1909, producing wheat flour packaged under the brand name "Kenia's Mist".

There were production and financial setbacks but the company persevered, acquired other millers and eventually emerged as the region's leading producer of high quality flour.

It has retained "commitment to excellence" as its theme throughout, and its flagship brands such as Exe[®], Jogoo[®] and Hodari[®] remain household names. The Company has since added other brands and expanded the range, but ceded the manufacture of animal feeds to a sister company.

Conclusion

My special thanks to the Board, my management colleagues and staff, suppliers and trade channels who worked tirelessly together in difficult conditions to achieve the very good results of 2008.

While that effort has a day-to-day focus on operational issues and implementing development projects, decision and action are constantly guided by the sustained, long-term objective of enhancing shareholder value.

N Hutchinson
Group Managing Director

Five Year Financial Review



	2004 Shs'000	2005 Shs'000	2006 Shs'000	2007 Shs'000	2008 Shs'000
CONSOLIDATED INCOME STATEMENT					
Turnover	6,305,387	7,558,509	7,305,958	7,675,347	9,450,824
(Loss)/Profit Before Taxation	(95,505)	155,017	142,427	156,665	564,016
Taxation	(30,910)	(30,525)	(77,826)	(23,055)	(190,355)
(Loss)/Profit For the Year	(126,415)	124,492	64,601	133,610	373,661
(Loss)/Earnings Per Share	Shs (1.62)	Shs 1.15	Shs 0.58	Shs 1.31	Shs 3.67
CONSOLIDATED BALANCE SHEET					
ASSETS					
Non-current assets					
Property, plant & equipment	1,783,420	1,631,709	1,489,051	1,367,942	1,657,068
Other	348,313	317,679	261,425	239,167	166,178
	2,131,733	1,949,388	1,750,476	1,607,109	1,823,246
Current Assets					
Inventories	1,266,679	1,141,516	834,754	982,522	1,197,245
Trade & other receivables	505,602	446,038	608,712	622,507	1,014,441
Other	119,253	121,259	49,297	49,401	37,844
Term deposits, cash & bank balances	230,401	214,518	346,930	455,830	688,752
	2,121,935	1,923,331	1,839,693	2,110,260	2,938,282
Total Assets	4,253,668	3,872,719	3,590,169	3,717,369	4,761,528
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	315,454	315,454	315,454	315,454	315,454
Share premium	73,148	73,148	73,148	73,148	73,148
Reserves	944,212	1,018,799	1,059,596	1,141,147	1,656,459
Equity attributable to equity holders of the parent	1,332,814	1,407,401	1,448,198	1,529,749	2,045,061
Minority interest	665,901	718,952	748,412	789,240	918,985
Total Equity	1,998,715	2,126,353	2,196,610	2,318,989	2,964,046
Non current liabilities					
Borrowings	90,313	38,325	37,344	0	0
Deferred taxation					202,205
Other	47,608	53,662	51,754	50,571	57,233
	137,921	91,987	89,098	50,571	259,438
Current liabilities					
Trade and other payables	654,058	564,816	509,713	419,532	772,934
Borrowings	541,623	493,966	327,549	333,452	4,557
Other	921,351	595,597	467,199	594,825	760,553
	2,117,032	1,654,379	1,304,461	1,347,809	1,538,044
Total equity and liabilities	4,253,668	3,872,719	3,590,169	3,717,369	4,761,528

Directors and Professional Advisers



Directors

R Kemoli - Chairman
N Hutchinson* - Group Managing Director
A McKittrick
J G Kiereini
A S M Ndegwa - (Alternate - J P M Ndegwa)
V O Ojode
J Kibet
I Ochola-Wilson (Mrs)

*British

Secretary

J L G Maonga
Certified Public Secretary (Kenya)
P O Box 30029, 00100
Nairobi

Registered Office

Ngano House
Commercial Street
Industrial Area
P O Box 30096, 00100
Nairobi

Auditors

Deloitte & Touche
Certified Public Accountants (Kenya)
"Kirungii" Ring Road, Westlands
P O Box 40092, 00100
Nairobi

Bankers

Barclays Bank of Kenya Limited
Barclays Plaza Branch
P O Box 46661, 00200
Nairobi

Advocates

Kaplan & Stratton
Williamson House
4th Ngong Avenue
P O Box 40111, 00100
Nairobi

Report of the Directors



The directors present their report together with the audited financial statements of the group for the year ended 30 June 2008.

Activities

The Company operates as a holding company. The principal activities of the group continue to be the milling of wheat and maize, the manufacture of packaging materials and animal nutrition products, and the distribution of animal health products.

	2008 Shs'000	2007 Shs'000
Group Results		
Profit before taxation	564,016	156,665
Taxation charge	(190,355)	(23,055)
Profit for the year	373,661	133,610
	=====	=====
Attributable to:		
Equity holders of the parent	231,632	82,481
Minority interest	142,029	51,129
	373,661	133,610
	=====	=====

Dividend

The directors do not recommend the payment of a dividend in respect of the year.

Bonus Shares

Subject to receiving all the regulatory approvals, the directors propose to issue bonus shares in the ratio of one bonus share for every five shares held.

Directors

The present board of directors is shown on page 10.

Auditors

Deloitte & Touche, having confirmed their willingness, continue in office in accordance with section 159 (2) of the Companies Act (Cap 486).

BY ORDER OF THE BOARD

J L G Maonga
Secretary

24th September 2008



The Unga Group complies fully and strictly with all requirements of a publicly listed company, including clarity of financial reporting and accountability to shareholders, and aims to set best practice standards in product and service quality and fair conduct towards its staff, suppliers and customers.

The Group recognizes its responsibilities of good citizenship in the national and international communities, especially with regard to social welfare, environmental care, economic value and principles of integrity.

Role of the Board

The Board holds the Group's long-term vision, sets broad goals, plans and organizational policies to uphold it, and it offers guidance on strategic decisions and actions of management.

Composition of the Board

The Board has one executive and seven non-executive Directors, one third of whom retire by rotation each year but are eligible for re-election. The managing Director is Mr. N Hutchinson. The Directors' profiles appear on page 4 of this Annual Report.

Other Board Information

The roles of the Chairman and Chief Executive are clearly separated, to ensure true accountability of management to shareholders through the Board, in parallel with equally sure autonomy and authority of management in the day-to-day operation of the Group. Directors are kept fully informed of all company activities through both regular and special event reports.

Board Meetings

The Board has four scheduled meetings per year and stands ready for additional meetings on any specific or urgent matters. In the period under review, the Board met four times.

Board Committees

Under its mandate to establish appropriate committees for technical or other specialized issues, the Board currently operates an Audit Committee of Mr J Kiereini (Chairman), Mr J Kibet and Mr A Ndegwa, which met five times in the year under review, and a Nominating and Remuneration Committee of Mr J Kibet (Chairman), Mr R Kemoli, Mr J Kiereini and Mr A Ndegwa, which did not meet during the year.

Communication

The Board receives management reports in advance of all scheduled meetings and as necessary at other times. The Board issues an Annual Report and Financial Statements to all shareholders and other interested parties, and keeps the public advised through half-yearly and annual press notices of results and any significant developments. Shareholders have direct access to the company in line with conventional business practices.

Directors benefits and loans

In the year under review, Directors have received no benefits other than fees and no loans to directors have been advanced.

Corporate Governance (continued)



Directors' Interest

The interest of the Directors in the shares of the company as at 30 June 2008, were as follows:

Name	No. of shares
Alan McKittrick	11,227

Distribution of shareholders:

(a) By number of shares range

Shareholding(No of shares)	No. of shareholders
1-1,000	4,835
1,001-5,000	2,055
5,001-10,000	502
10,001-100,000	402
100,001-1,000,000	33
1,000,001 and above	2
Total	7,829

(b) By category of shareholders

Category	No. of shareholders	No. of shares	% shareholding
Local individuals	6,974	24,579,888	38.96
Local institutions	481	36,753,737	58.25
East African individuals	74	98,811	0.16
East African institutions	21	64,023	0.10
Foreign investors	279	1,594,269	2.53
Total	7,829	63,090,728	100.00

Major shareholders

The top ten shareholders as at 30 June 2008 were as follows:

Name	No. of shares	% shareholding
1. Victus Limited	32,130,992	50.93
2. Moses Thara	3,173,431	5.03
3. Alimohamed Adam	872,785	1.38
4. Kingsway Nominees Limited	869,379	1.38
5. Savitaben Velji Raichand Shah	621,398	0.98
6. Lawrence Gatitu Mbugua	498,896	0.79
7. Shah Damayanti	414,464	0.66
8. Paul Wanderi Ndungu	284,400	0.45
9. DSL Nominees Ltd. A/c 2210	280,600	0.44
10. Stanbic Nominees Kenya Ltd. A/c R 48701	271,420	0.43

R Kemoli

Director

N Hutchinson

Director

24 September 2008

24 September 2008

Statement of Directors' Responsibilities



The Companies Act requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and of the company as at the end of the financial year and of the operating results of the group for that year. It also requires the directors to ensure that the group and the company keep proper accounting records, which disclose with reasonable accuracy at any time the financial position of the group and the company. They are also responsible for safeguarding the assets of the group.

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Companies Act. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the group and of the company and of the group's operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the company and its subsidiaries will not remain going concerns for at least the next twelve months from the date of this statement.

R Kemoli
Director

N Hutchinson
Director

24th September 2008

Independent Auditors' Report to the Members of Unga Group Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Unga Group Limited and its subsidiaries, set out on pages 16 to 48 which comprise the group and parent company balance sheets as at 30 June 2008, and the group income statement, group and parent company statements of changes in equity and group cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of the Kenyan Companies Act. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considered the internal controls relevant to the group's preparation and fair presentation of the financial statements in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the group's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

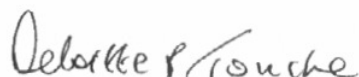
Opinion

In our opinion the accompanying financial statements give a true and fair view of the state of financial affairs of the company and its subsidiaries as at 30 June 2008 and of its profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Kenyan Companies Act.

Report on Other Legal Requirements

As required by the Kenyan Companies Act we report to you, based on our audit, that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion proper books of account have been kept by the company, so far as appears from our examination of those books; and
- iii) the company's balance sheet and profit and loss account are in agreement with the books of account.



6th October 2008

Audit • Tax • Consulting • Financial Advisory.

Member of
Deloitte Touche Tohmatsu

Partners: D.M. Ndonye F.O. Aloo H. Gadhoke* D.C. Hodges* J.M. Kiarie M.M. Kisuu
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Consolidated Income Statement For the Year Ended 30 June 2008



	Notes	2008 Shs'000	2007 Shs'000
Turnover		9,450,824	7,675,347
Cost of sales		(8,049,947)	(6,903,246)
Gross profit		1,400,877	772,101
Other operating income		141,693	134,805
Distribution costs		(331,198)	(325,849)
Administrative expenses		(428,806)	(333,167)
Other operating expenses		(113,955)	(22,235)
Finance costs	4	(104,595)	(68,990)
Profit before taxation	5	564,016	156,665
Taxation charge	7	(190,355)	(23,055)
Profit for the year	8	373,661	133,610
Attributed to:		=====	=====
Equity holders of the parent		231,632	82,481
Minority interest	22	142,029	51,129
		373,661	133,610
		=====	=====
Earnings per share-basic/diluted	9	Shs 3.67	Shs 1.31
		=====	=====

Consolidated Balance Sheet 30 June 2008



	Notes	2008 Shs'000	2007 Shs'000
ASSETS			
Non current assets			
Property, plant and equipment	10	1,657,068	1,367,942
Prepaid operating lease rentals	11	50,539	48,358
Intangible assets	12	1,209	59
Retirement benefits asset	14	114,430	123,584
Deferred taxation	15	-	67,166
		<u>1,823,246</u>	<u>1,607,109</u>
Current assets			
Properties held for sale	16	7,634	21,524
Inventories	17	1,197,245	982,522
Trade and other receivables	18	1,014,441	622,507
Taxation recoverable	7(c)	30,210	27,877
Term deposits	20	155,374	151,984
Cash and bank balances		533,378	303,846
		<u>2,938,282</u>	<u>2,110,260</u>
Total assets		4,761,528	3,717,369
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	21	315,454	315,454
Share premium		73,148	73,148
Revaluation surplus		763,610	505,962
Revenue reserve		892,849	635,185
Equity attributable to equity holders of the parent		<u>2,045,061</u>	<u>1,529,749</u>
Minority interests	22	918,985	789,240
Total equity		<u>2,964,046</u>	<u>2,318,989</u>
Non current liabilities			
Deferred taxation	15	202,205	-
Service gratuity	24	57,233	50,519
Shareholders' loans	25	-	52
		<u>259,438</u>	<u>50,571</u>
Current liabilities			
Trade and other payables	26	772,934	419,532
Unclaimed dividends		21,482	21,482
Due to related companies	27	704,823	567,648
Borrowings	23	4,557	333,452
Taxation payable	7(c)	34,248	5,695
		<u>1,538,044</u>	<u>1,347,809</u>
Total equity and liabilities		4,761,528	3,717,369

The financial statements on pages 16 to 48 were approved by the board of directors on 24th September 2008 and were signed on its behalf by:

R Kemoli
Director

N Hutchinson
Director

Company Balance Sheet 30 June 2008



	Notes	2008 Shs'000	2007 Shs'000
ASSETS			
Non current assets			
Investment in subsidiary companies	13	1,297,335	1,297,335
Current assets			
Other receivables	18	184	184
Due from subsidiary companies	19	128,733	114,287
Taxation recoverable		2,503	2,308
Term deposits	20	30,000	30,888
Bank balance		12,970	-
		174,390	147,667
Total assets		1,471,725	1,445,002
		=====	=====
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	21	315,454	315,454
Share premium		73,148	73,148
Revenue reserve		1,053,932	1,050,288
		1,442,534	1,438,890
Current liabilities			
Other payables	26	6,178	6,112
Due to subsidiaries	19	23,013	-
		29,191	6,112
Total equity and liabilities		1,471,725	1,445,002
		=====	=====

The financial statements on pages 16 to 48 were approved by the board of directors on 24th September 2008 and were signed on its behalf by:

R Kemoli
Director

N Hutchinson
Director

Consolidated Statement of Changes in Equity For the Year Ended 30 June 2008



	Share capital Shs'000	Share premium Shs'000	Revaluation surplus Shs'000	Revenue reserve Shs'000	Equity attributable to equity holders Shs'000	Minority interests Shs '000	Total Shs'000
At 1 July 2006	315,454	73,148	528,570	531,026	1,448,198	748,412	2,196,610
Transfer of excess depreciation	-	-	(32,297)	32,297	-	-	-
Deferred taxation on excess depreciation	-	-	9,689	(9,689)	-	-	-
Dividend paid to minority	-	-	-	-	-	(9,800)	(9,800)
Exchange adjustment	-	-	-	(930)	(930)	(501)	(1,431)
Profit for the year	-	-	-	82,481	82,481	51,129	133,610
At 30 June 2007	315,454	73,148	505,962	635,185	1,529,749	789,240	2,318,989
At 1 July 2007	315,454	73,148	505,962	635,185	1,529,749	789,240	2,318,989
Revaluation surplus	-	-	401,893	-	401,893	-	401,893
Deferred tax on revaluation surplus	-	-	(120,568)	-	(120,568)	-	(120,568)
Transfer of excess depreciation	-	-	(33,824)	33,824	-	-	-
Deferred taxation on excess depreciation	-	-	10,147	(10,147)	-	-	-
Dividend paid to minority	-	-	-	-	-	(13,355)	(13,355)
Exchange adjustment	-	-	-	2,355	2,355	1,071	3,426
Profit for the year	-	-	-	231,632	231,632	142,029	373,661
At 30 June 2008	315,454	73,148	763,610	892,849	2,045,061	918,985	2,964,046

The revaluation surplus is not distributable and represents the surplus arising from the revaluation of property, plant and equipment.

The revenue reserve represents profit from the normal operations of the group.

The exchange adjustment arises on translation of the foreign operations.

Company Statement of Changes in Equity For the Year Ended 30 June 2008



	Share capital Shs'000	Share premium Shs'000	Revenue reserve Shs'000	Total Shs'000
At 1 July 2006	315,454	73,148	1,044,715	1,433,317
Profit for the year	-	-	5,573	5,573
At 30 June 2007	315,454	73,148	1,050,288	1,438,890
	=====	=====	=====	=====
At 1 July 2007	315,454	73,148	1,050,288	1,438,890
Profit for the year	-	-	3,644	3,644
At 30 June 2008	315,454	73,148	1,053,932	1,442,534
	=====	=====	=====	=====

Consolidated Cash Flow Statement For the Year Ended 30 June 2008



	Notes	2008 Shs'000	2007 Shs'000
Operating Activities			
Cash generated from operations	28(a)	588,995	185,701
Taxation paid	7(c)	(15,762)	(14,038)
Net cash generated from operating activities		573,233	171,663
Investing Activities			
Purchase of property, plant and equipment		(46,220)	(34,342)
Proceeds of disposal of property, plant and equipment		4,901	4,434
Proceeds of disposal of properties held for sale		41,288	-
Purchase of intangible assets		(1,416)	-
Net cash used in investing activities		(1,447)	(29,908)
Financing Activities			
Loans received	28(d)	4,557	150,000
Loans repaid	28(d)	(316,214)	(172,473)
Dividends paid to minority	22	(13,355)	(9,800)
Net cash used in financing activities		(325,012)	(32,273)
Increase in cash and cash equivalents		246,774	109,482
Cash and cash equivalents at beginning of the year		286,608	177,138
Exchange adjustment		(4)	(12)
Cash and cash equivalents at the end of the year	28(b)	533,378	286,608
		=====	=====

Notes to the Financial Statements For the Year Ended 30 June 2008



1 ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable International Financial Reporting Standards. The principal accounting policies adopted are set out below.

Adoption of new and revised International Financial Reporting Standards (IFRS)

Standards and Interpretations effective in the current period

In the current year, the group has adopted IFRS 7 Financial Instruments: Disclosures which is effective for annual periods beginning 1 January 2007 and the consequential amendments to IAS 1 Presentation of Financial Statements.

The impact of the adoption of IFRS 7 and the changes to IAS 1 has been to expand the disclosures provided in these financial statements regarding the group's financial instruments and management of capital.

Four interpretations issued by the International Financial Reporting Interpretations Committee are effective for the current period. These are IFRIC 7; Applying the Restatement Approach under IAS 29, Financial Reporting in Hyperinflationary Economies, IFRIC 8; Scope of IFRS 2, IFRIC 9; Reassessment of embedded derivatives and IFRIC 10; Interim Financial Reporting and Impairment. The adoption of these interpretations has not led to any changes in the group's accounting policies.

Standards and Interpretations issued but not effective in the current period

At the date of approval of these financial statements, the following new or revised Standards and Interpretations were in issue but not yet effective:

- IFRS 8 on Operating Segments
- IFRIC 11 - IFRS 2 Group and Treasury Share Transactions
- IFRIC 12 - Service Concession Arrangements
- IFRIC 13 - IAS 18 Revenue: Customer Loyalty Programmes
- IFRIC 14 - IAS 19 Employee Benefits: Effect of Minimum Funding Requirements on Asset Ceiling.

The adoption of these standards and interpretations, when effective, will have no material impact on the financial statements of the group.

Basis of accounting

The financial statements are prepared in accordance with applicable International Financial Reporting Standards. The financial statements are prepared on the historical cost basis of accounting as modified to include the revaluation of certain assets.

Consolidation

The consolidated financial statements incorporate the financial statements of Unga Group Limited and its subsidiary companies, all of which are made up to 30 June each year.

Subsidiary undertaking, being those companies in which the group either directly or indirectly has an interest of more than 50% of the voting rights or otherwise has power to exercise control over the operations, have been consolidated. Subsidiaries are consolidated from the date on which effective control is transferred to the group and are not consolidated as from the date of disposal. All intercompany transactions, balances and unrealised surpluses and deficits on transactions with the subsidiary companies have been eliminated. Subsidiary undertakings are disclosed in Note 13.

Notes to the Financial Statements (continued)

1 Accounting Policies (Continued)

Consolidation (continued)

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Investments in subsidiary companies

Investments in subsidiary companies are stated at cost less provision for impairment where applicable.

Revenue recognition

Turnover, which represents net sales to external customers during the year, is recognised when goods are delivered and title has passed.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Property, plant and equipment

Property, plant and equipment are stated at cost or as professionally revalued less accumulated depreciation and any impairment losses.

Professional valuations are carried out in accordance with the group policy of revaluing items of property, plant and equipment that are carried at valuation every five years.

The basis of valuation is as follows:

- (a) Land and buildings - open market value;
- (b) Other assets - depreciated replacement cost.

Increases in the carrying amount arising on revaluation are credited to a revaluation surplus. Decreases that offset previous increases of the same asset are charged against the revaluation surplus; all other decreases are charged to the income statement.

Depreciation

Depreciation is calculated to write off the cost or valuation of property, plant and equipment in equal annual instalments over their estimated useful lives. The annual rates used are:

Long leasehold buildings	2.5%
Short leasehold buildings	Over period of lease
Computer equipment	33.3%
Plant and machinery	5 - 7.5%
Furniture and fittings	12.5%
Motor vehicles	25%
Silos	Shorter of 50 years or the unexpired period of the lease in respect of the land on which they are built

Excess depreciation, representing the additional depreciation following revaluations of property, plant and equipment over depreciation based on historical cost, is transferred annually from revaluation surplus to revenue reserve.

1 Accounting Policies (Continued)

Leasehold land

Payments to acquire interests in leasehold land are treated as prepaid operating lease rentals and amortised over the term of the related lease.

Intangible assets

Intangible assets represent computer software.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are amortised over the useful economic life of three years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method is reviewed at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense is recognised in the income statement.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognized.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all risks and rewards of ownership to a company within the group as a lessee.

All other leases are classified as operating leases.

Rentals payable under operating leases are charged to income on the straight line basis over the term of the relevant lease.

Impairment

At each balance sheet date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Any impairment losses are recognised as an expense immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. A reversal of an impairment loss is recognised as income immediately.

Non-current assets held for sale

The group classifies a non-current asset as held for sale if, and only if, its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Non current assets held for sale are measured at the lower of their carrying amounts and fair values less estimated selling costs at the balance sheet date.

Impairment loss arising from any subsequent write-down of the carrying amount of an asset identified for sale to fair value less costs to make the sale is charged to the income statement in the year in which the loss is identified.

Notes to the Financial Statements (continued)



1 Accounting Policies (Continued)

Financial instruments

Financial assets and liabilities are recognised in the group's balance sheet when the group has become a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. The objective evidence of impairment of the receivables is when there is a significant financial difficulty of the counter party or when there is a default or delinquency in the interest or principal payments. When a trade receivable is considered uncollectible it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the income statement.

Bank borrowings

Interest bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges including premiums payable on settlement or redemption, are accounted for on the accruals basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period they arise.

Trade payables

Trade payables are stated at their nominal value.

Short term deposits

Short term deposits are classified as held to maturity and are measured at amortised cost.

Taxation

Current taxation is provided on the basis of the results for the year as shown in the financial statements, adjusted in accordance with tax legislation.

Deferred taxation is provided, under the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred income tax.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the unused tax losses and unused tax credits can be utilised.

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into Kenya Shillings at the rates of exchange ruling at the balance sheet date. Transactions during the year in foreign currencies are translated at the rates ruling at the dates of the transactions. Gains and losses on exchange are dealt with in the income statement.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises expenditure directly incurred in purchasing or manufacturing the inventories plus an allocation of normal overhead expenditure attributable to the processes through which they have passed. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in selling.

1 Accounting Policies (Continued)

Employee benefits costs

The group operates a defined benefit retirement scheme for its employees. The assets of this scheme are held in a separate trustee administered fund. The scheme is funded by contributions from both the employees and the employer. Benefits are paid to retiring staff in accordance with scheme rules. The cost of providing retirement benefits is assessed using the attained age method by qualified actuaries. The scheme is valued once every three years: the last valuation was as at 31 December 2005.

The amount recognised in the balance sheet represents the difference between the actuarial value of past service pension benefits and the fair value of scheme assets.

The group also contributes to a statutory defined contribution pension scheme, the National Social Security Fund (NSSF). The group's obligations under the scheme are limited to specific contributions legislated from time to time and are currently limited to a maximum of Shs 200 per month per employee. The group's contributions are charged to the income statement in the year to which they relate.

Employee entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave accrued at the balance sheet date.

The group's unionisable staff who resign or retire at retirement age or whose services are terminated for reasons other than gross misconduct are entitled to service gratuity payments in accordance with the prevailing Collective Bargaining Agreement. Service gratuity is provided in the financial statements as it accrues to each employee.

Segmental reporting

Segment results include revenue and expenses directly attributable to a segment.

Segment assets and liabilities comprise those operating assets and liabilities that are directly attributable to the segment or can be allocated to the segment on a reasonable basis.

Capital expenditure represents the total cost incurred during the year to acquire segment assets that are expected to be used during more than one period (property, plant and equipment).

Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

Notes to the Financial Statements (continued)



2 CRITICAL JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES

In the process of applying the group's accounting policies, management has made estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key areas of judgement in applying the group's accounting policies are dealt with below:

Impairment losses

At each balance sheet date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Property, plant and equipment

Critical estimates are made by directors in determining the useful lives and residual values to property, plant and equipment based on the intended use of the assets and the economic lives of those assets. Subsequent changes in circumstances such as technological advances or prospective utilisation of the assets concerned could result in the actual useful lives or residual values differing from initial estimates.

3 SEGMENTAL REPORTING

Year Ended 30 June 2008

(a) Primary reporting format - Business segments



	Consumer Shs'000	Animal health and nutrition Shs'000	Others Shs'000	Eliminations Shs'000	Consolidated Shs'000
Revenue					
External sales	6,788,554	2,545,418	116,852	-	9,450,824
Inter-segment sales	272,020	29,008	178,464	(479,492)	-
Total revenue	7,060,574	2,574,426	295,316	(479,492)	9,450,824
Results					
Profit before taxation	465,685	39,489	58,842	-	564,016

Inter-segment sales are charged at market prices.

Notes to the Financial Statements (continued)



3 SEGMENTAL REPORTING (continued)

Year Ended 30 June 2008 (continued)

(a) Primary reporting format - Business segments (continued)

	Consumer Shs'000	Animal health and nutrition Shs'000	Others Shs'000	Consolidated Shs'000
Other Information				
Capital additions				
- property, plant and equipment	22,741	10,390	13,089	46,220
Depreciation	106,632	36,089	692	143,413
Amortisation - Intangible assets	266	-	-	266
- Operating lease rentals	1,578	38	382	1,998
Segment assets	3,438,839	1,141,781	180,908	4,761,528
Segment liabilities	1,524,351	245,699	27,432	1,797,482
	=====	=====	=====	=====

(b) Secondary reporting format - Geographical segments

Over 90% of the group's consolidated income is derived in Kenya.

Year Ended 30 June 2007

(a) Primary reporting format - Business segments

	Consumer Shs'000	Animal health and nutrition Shs'000	Others Shs'000	Eliminations Shs'000	Consolidated Shs'000
Revenue					
External sales	5,517,927	2,120,187	37,233	-	7,675,347
Inter-segment sales	159,182	30,904	193,400	(383,486)	-
Total revenue	5,677,109	2,151,091	230,633	(383,486)	7,675,347
	=====	=====	=====	=====	=====
Results					
Profit before taxation	74,385	49,244	33,036	-	156,665
	=====	=====	=====	=====	=====

Inter-segment sales are charged at market prices.

Notes to the Financial Statements (continued)



3 Segmental Reporting (continued)

Year Ended 30 June 2007 (continued)

(c) Primary reporting format - Business segments (continued)

	Consumer Shs'000	Animal health and nutrition Shs'000	Others Shs'000	Consolidated Shs'000
Other Information				
Capital additions				
- property, plant and equipment	22,780	11,458	104	34,342
Depreciation	111,040	35,211	9,607	155,858
Amortisation - Intangible assets	673	492	-	1,165
- Operating lease rentals	1,557	38	-	1,595
Segment assets	2,664,878	963,868	88,623	3,717,369
Segment liabilities	1,108,692	258,155	31,533	1,398,380
	=====	=====	=====	=====

(b) Secondary reporting format - Geographical segments

Over 90% of the group's consolidated income is derived in Kenya.

4 FINANCE COSTS

Interest payable:

	2008 Shs'000	2007 Shs'000
Bank overdrafts	18,393	16,132
Loans	14,430	27,696
Other	49,145	25,162
Foreign exchange losses	22,627	-
	104,595	68,990
	=====	=====

5 PROFIT BEFORE TAXATION

The profit before taxation is arrived at after charging:

Staff costs (note 6)	358,247	334,535
Depreciation (note 10)	143,413	155,858
Amortisation of prepaid operating lease rentals (note 11)	1,998	1,595
Amortisation of intangible assets (note 12)	266	1,165
Directors' emoluments - fees	2,542	2,445
- other	8,349	6,325
Auditors' remuneration	7,096	6,579
Loss on impairment of asset	3,616	-
Deficit on revaluation of assets	9,553	-
Loss on write off of assets	1,014	-
Rent payable	15,826	12,746
and after crediting:		
Profit on disposal of properties held for sale	(31,708)	-
Profit on disposal of property, plant and equipment	(4,399)	(3,311)
Rent receivable	(832)	-
	=====	=====

Notes to the Financial Statements (continued)



6 STAFF COSTS

	2008 Shs'000	2007 Shs'000
Salaries and wages	332,363	320,459
Pension costs - amortisation of defined benefit scheme assets	9,154	9,154
Pension costs - contribution to the defined benefit scheme	400	353
Service gratuity	11,580	3,570
Social security costs (NSSF) contributions	950	999
Leave pay	3,800	-
	<u>358,247</u>	<u>334,535</u>
	=====	=====

7 TAXATION

(a) Taxation charge

Current taxation based on the chargeable profit for the year at 30%	41,982	11,308
Prior year under provision	1,581	1,178
	<u>43,563</u>	<u>12,486</u>
Deferred taxation charge (note 15)		
Current year	155,177	17,839
Prior year over provision	(8,385)	(7,270)
	<u>146,792</u>	<u>10,569</u>
	<u>190,355</u>	<u>23,055</u>
	=====	=====

(b) Reconciliation of taxation charge to the expected tax based on accounting profit

Accounting profit before taxation	564,016	156,665
	=====	=====
Tax charge at the applicable rate of 30%	169,206	47,000
Tax effect of expenses not allowable for tax	54,958	15,170
Tax effect of income not subject to tax	(27,493)	(1,253)
Prior year current tax under provisions	-	1,178
Prior year deferred tax over provision	(5,223)	(7,270)
Deferred taxation credit not recognised	(1,093)	(3,450)
Previously unrecognised deferred tax now recognised	-	(28,320)
	<u>190,355</u>	<u>23,055</u>
	=====	=====

Notes to the Financial Statements (continued)



	2008 Shs'000	2007 Shs'000
7 Taxation (Continued)		
(c) Taxation payable/recoverable		
At beginning of the year:		
Payable	5,695	7,143
Recoverable	(27,877)	(27,773)
	(22,182)	(20,630)
Charge for the year	41,982	12,486
Payments during the year	(15,762)	(14,038)
	4,038	(22,182)
	=====	=====
Comprising:		
Payable	34,248	5,695
Recoverable	(30,210)	(27,877)
	4,038	(22,182)
	=====	=====
(d) Debited Directly to Revaluation Surplus		
Deferred tax on revaluation surplus	120,568	-
	=====	=====
8 PROFIT FOR THE YEAR		

A profit of Shs 3,644,000 (2007 - Shs 5,573,000) has been dealt with in the books of the company, Unga Group Limited.

9 EARNINGS PER SHARE

Basic earnings per share has been calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

	2008	2007
Net profit for the year attributable to shareholders (Shs '000)	231,632	82,481
Weighted average number of ordinary shares	63,090,728	63,090,728
Basic earnings per share	Shs 3.67	Shs 1.31
	=====	=====

Diluted earnings per share is the same as basic earnings per share.

Notes to the Financial Statements (continued)



10 PROPERTY, PLANT AND EQUIPMENT

Group

	Leasehold buildings Shs'000	Plant, machinery, motor vehicles and equipment Shs'000	Capital work in progress Shs'000	Total Shs'000
Cost or Valuation				
At 1 July 2006	533,000	1,938,165	-	2,471,165
Exchange adjustments	213	1,744	-	1,957
Additions	1,166	32,860	316	34,342
Disposals	-	(13,359)	-	(13,359)
At 30 June 2007	534,379	1,959,410	316	2,494,105
Comprising:				
Valuation in 2003	517,345	1,201,328	-	1,718,673
Cost	17,034	758,082	316	775,432
	534,379	1,959,410	316	2,494,105
At 1 July 2007	534,379	1,959,410	316	2,494,105
Exchange adjustments	(146)	(1,118)	-	(1,264)
Additions	-	31,504	14,716	46,220
Disposals	-	(18,265)	-	(18,265)
Asset write off	-	(1,014)	-	(1,014)
Revaluation surplus	322,258	(721,692)	-	(399,434)
Impairment loss	-	(3,616)	-	(3,616)
At 30 June 2008	856,491	1,245,209	15,032	2,116,732
Comprising:				
Valuation in 2008	856,491	919,148	-	1,775,640
Cost	-	326,061	15,032	341,092
	856,491	1,245,209	15,032	2,116,732
Depreciation				
At 1 July 2006	53,526	928,591	-	982,117
Exchange adjustments	40	387	-	427
Charge for the year	16,510	139,345	-	155,855
Eliminated on disposal	-	(12,236)	-	(12,236)
At 30 June 2007	70,076	1,056,087	-	1,126,163

Notes to the Financial Statements (continued)



10 Property, Plant and Equipment (continued)

Group

	Leasehold buildings Shs'000	Plant, machinery, motor vehicles and equipment Shs'000	Capital work in progress Shs'000	Total Shs'000
At 1 July 2007	70,076	1,056,087	-	1,126,163
Exchange adjustments	(33)	(338)	-	(371)
Charge for the year before revaluation	15,787	119,658	-	135,445
Eliminated on disposal	-	(17,763)	-	(17,763)
Eliminated on revaluation	(85,829)	(705,949)	-	(791,778)
Charge for the year after revaluation	2,008	5,960	-	7,968
At 30 June 2008	2,009	457,655	-	459,664

Net Book Value

At 30 June 2008	854,482	787,554	15,032	1,657,068
	=====	=====	=====	=====
At 30 June 2007	464,303	903,323	316	1,367,942
	=====	=====	=====	=====

Net Book Value (Cost basis)

At 30 June 2008	164,123	520,909	14,716	699,748
	=====	=====	=====	=====
At 30 June 2007	180,633	663,881	316	844,830
	=====	=====	=====	=====

The capital work in progress relates to consultancy costs incurred in the development of a new system software.

Buildings and certain items of property, plant and equipment were revalued as at 30 June 2008 by Tysons Limited, Registered Valuers and Estate Agents.

The group has pledged assets with net book value of Shs 383,247,000 (2007 - Shs 455,203,000) to secure borrowings granted to it. (See note 23)

Notes to the Financial Statements (continued)



	2008 Shs'000	2007 Shs'000
11 PREPAID OPERATING LEASE RENTALS		
Group		
Cost		
At 1 July	61,258	61,045
Exchange adjustment	(136)	213
Reclassified from properties held for sale (note 16)	4,500	-
At 30 June	65,622	61,258
Amortisation		
At 1 July	12,900	11,300
Exchange adjustment	(5)	5
Amortisation for the year	1,998	1,595
Reclassified from properties held for sale (note 16)	190	-
At 30 June	15,083	12,900
Net Book Value		
At 30 June	50,539	48,358
	=====	=====

The group has pledged leasehold land with a net book value of Sh 10,744,000 (2007 - Sh 19,224,000) to secure borrowings granted to it.

	2008 Shs'000	2007 Shs'000
12 INTANGIBLE ASSETS - COMPUTER SOFTWARE		
Group		
Cost		
At 1 July	38,498	38,498
Additions	1,416	-
At 30 June	39,914	38,498
Amortisation		
At 1 July	38,439	37,274
Amortisation for the year	266	1,165
At 30 June	38,705	38,439
Net Book Value		
At 30 June	1,209	59
	=====	=====

Notes to the Financial Statements (continued)



13 INVESTMENT IN SUBSIDIARY COMPANIES

Unquoted investment at cost in wholly owned subsidiary:

Unga Investments Limited

2008
Shs'000

2007
Shs'000

1,297,335
=====

1,297,335
=====

Details of the company's subsidiaries are as follows:

Name	Share capital Shs '000	Country of incorporation	Principal activity	Percentage holding
Unga Investments Limited	22,200	Kenya	Operates as a holding and an investment company.	100%

Unga Investments Limited has a 65% holding in its subsidiary, Unga Holdings Limited, which has the following subsidiaries:

Company	Share capital Shs '000	Country of Incorporation	Principal activity	Percentage holding
Unga Limited	220,000	Kenya	Milling and sale of wheat and maize.	100%
Unga Farm Care (East Africa) Limited	22,520	Kenya	Manufacture and distribution of animal health and crop protection products, animal feeds and mineral supplements.	100%
Unga Feeds Limited	42,300	Kenya	Dormant company.	100%
Unga Foods Limited	15,400	Kenya	Dormant company.	100%
Ungax Limited	16,000	Kenya	Dormant company.	100%
Unga Maize Millers Limited	48,000	Kenya	Dormant company.	100%
Bullpak Limited	4,760	Kenya	Manufacture and sale of packaging material for wheat and maize flour products.	51%
Unga Millers (U) Limited	Ush 231,881	Uganda	Milling and sale of wheat and maize, and distribution of animal nutrition products.	70%

Unga Farm Care (East Africa) Limited has a 100% holding in Unga Uganda Limited, incorporated in Uganda, and a 74% holding in Unga Farm Care (Tanzania) Limited, incorporated in Tanzania. Both of these subsidiaries are dormant.

Under an agreement which expires on 31 October 2008, Seaboard Corporation has an option to subscribe additional shares in Unga Holdings Limited. If exercised in full, this would increase Seaboard's total shareholding in Unga Holdings Limited to 50%.

Notes to the Financial Statements (continued)



14 RETIREMENT BENEFITS ASSET

	2008 Shs'000	2007 Shs'000
Group		
At 1 July	123,584	132,738
Amortisation for the year	(9,154)	(9,154)
At 30 June	114,430	123,584
	=====	

The retirement benefits scheme asset represents a surplus of the fair value of scheme assets over the value of past service pension benefits based on an actuarial valuation carried out as at 31 December 2005. In accordance with a recommendation by the Actuaries, the group is taking a contribution holiday for 15 years with effect from 1 January 2006. The length of the contribution holiday is subject to review at every valuation date based on the advice of the Actuaries. The next actuarial valuation is due as at 31 December 2008.

The principal actuarial assumptions applied in the last valuation were:

Rate of interest	9%
Rate of salary escalation	7%
Rate of pension increases	0%

15 DEFERRED TAXATION

Deferred taxation is provided on all temporary differences under the liability method using the currently enacted rate of 30%.

	2008 Shs'000	2007 Shs'000
Group		
The net deferred taxation (liability)/ asset is made up as follows:		
Deferred tax assets:		
Tax losses available for offset against future profits	136,321	334,418
Provision for leave pay	2,681	2,246
General provisions	57,614	34,075
Provision for service gratuity	15,344	15,156
Unrealised exchange differences	2,397	-
	<u>214,357</u>	<u>385,895</u>
Deferred tax liabilities:		
Accelerated capital allowances	(90,446)	(107,740)
Unrealised exchange differences	-	(3,918)
Revaluation surplus in subsidiary companies	(298,680)	(188,259)
	<u>(389,126)</u>	<u>(299,917)</u>
	(174,769)	85,978
Deferred tax asset not recognised	(27,436)	(18,812)
	<u>(202,205)</u>	<u>67,166</u>
	=====	=====

Notes to the Financial Statements (continued)



15 Deferred Taxation (continued)

Movement in the deferred taxation account is as follows:

	2008 Shs'000	2007 Shs'000
At 1 July	67,166	77,718
Exchange difference	(430)	17
Income statement charge (note 7 (a))	(146,792)	(10,569)
Prior year under-provision	(1,581)	-
Debited directly to equity	(120,568)	-
At 30 June	(202,205)	67,166
	=====	=====

Tax losses relate mainly to losses in two subsidiaries, Unga Limited and Unga Millers (U) Limited. Under Kenyan tax legislation, tax losses can be carried forward to perpetuity. The deferred tax asset arising from tax losses in Unga Millers (U) Limited of Shs 27,436,000 has not been recognised until the future performance of the company can be predicted with reasonable certainty.

16 PROPERTIES HELD FOR SALE

Group

	2008 Shs'000	2007 Shs'000
At 1 July	21,524	21,524
Disposals	(9,580)	-
Reclassified to prepaid operating lease rentals (note 11)	(4,310)	-
At 30 June	7,634	21,524
	=====	=====

17 INVENTORIES

Group

	2008	2007
Finished products	115,747	181,548
Raw materials	796,656	652,733
Production supplies	46,951	39,809
Engineering stores	36,612	47,179
Goods in transit	201,279	61,253
	1,197,245	982,522
	=====	=====

18 TRADE AND OTHER RECEIVABLES

Group

	2008	2007
Trade receivables	527,691	415,644
Other receivables and prepayments	486,750	206,863
	1,014,441	622,507
	=====	=====

Company

	2008	2007
Other receivables	184	184
	=====	=====

Notes to the Financial Statements (continued)



	2008 Shs'000	2007 Shs'000
19 SUBSIDIARY BALANCES		
Company		
Due from Subsidiary Companies		
Unga Limited	49,314	14,104
Unga Investments Limited	72,419	93,183
Unga Feeds Limited	7,000	7,000
	<u>128,733</u>	<u>114,287</u>
	=====	=====
Due to Subsidiary Companies		
Unga Holdings	23,013	-
	=====	=====
20 TERM DEPOSITS		
Group		
Maturing within 180 days:		
Term deposits with banks	155,374	151,984
	=====	=====
Company		
Short term deposits with banks	30,000	30,888
	=====	=====

The effective interest rate on bank deposits as at 30 June 2008 was 5.95 % (2007 - 6.25%).

	2008 Shs'000	2007 Shs'000
21 SHARE CAPITAL		
Authorised:		
70,134,656 Ordinary shares of Shs 5 each	350,673	350,673
	=====	=====
Issued and fully paid:		
63,090,728 Ordinary shares of Shs 5 each	315,454	315,454
	=====	=====

Notes to the Financial Statements (continued)



22 MINORITY INTEREST

Group

		2008 Shs'000	2007 Shs'000
At 1 July		789,240	748,412
Dividend paid		(13,355)	(9,800)
Exchange adjustment		1,071	(501)
Share of profit for the year		142,029	51,129
At 30 June		918,985	789,240
		=====	=====
The minority interest consists of:			
Unga Holdings Limited:			
Equity interest held by Seaboard Corporation	35%	867,435	744,494
Bullpak Limited:			
Equity interest held by Nampak Holdings Limited	49%	51,550	44,746
		918,985	789,240
		=====	=====

23 BORROWINGS

Group

Bank loan (secured)	-	316,214
Bank overdraft facilities (secured)	-	17,238
Loan from related companies	4,557	-
	4,557	333,452
	=====	=====
The borrowings are repayable as follows:		
On demand or within one year	4,557	333,452
In the second to fifth years	-	-
	4,557	333,452
	=====	=====
	2008	2007

The average interest rates incurred on these borrowings during the year were as follows:

Bank overdraft facilities	12.5%	14.13%
Bank loans	12.75%	9.53%
Loan due from related parties	10%	-
	=====	=====

Interest on bank borrowings is arranged at floating rates.

The bank loan and overdraft facilities are from several local banks. Security for these borrowings includes an all-assets debenture for Shs 1.5 billion issued by a subsidiary company, corporate guarantees by group companies, legal charges over certain properties owned by group companies. The group has undrawn committed borrowing facilities amounting to Shs 132,063,000 (2007 - Shs 122,762,000). The borrowing facilities consist of loans and bank overdrafts.

Notes to the Financial Statements (continued)



24 SERVICE GRATUITY

Group

	2008 Shs'000	2007 Shs'000
At 1 July	50,519	51,696
Income statement charge	11,580	3,570
Paid during the year	(4,866)	(4,747)
At 30 June	57,233	50,519
	=====	=====

The service gratuity represents the present value of future obligations in respect of unionisable staff in accordance with the Collective Bargaining Agreement.

25 SHAREHOLDERS' LOAN

These are long term loans advanced by the minority shareholders to a subsidiary company. The loans are unsecured, interest free and are not repayable for the foreseeable future.

26 TRADE AND OTHER PAYABLES

Group

	2008 Shs'000	2007 Shs'000
Trade payables	624,442	303,662
Other payables and accruals	148,492	115,870
	772,934	419,532
	=====	=====

Company

Other payables and accruals	6,178	6,112
	=====	=====

27 DUE TO RELATED COMPANIES

Group

Seaboard Overseas Management Company Limited	619,861	532,827
Nampak Kenya Limited	31,952	4,718
Nampak International Limited	53,010	30,103
	704,823	567,648
	=====	=====

The amounts due to related companies are repayable on demand.

Notes to the Financial Statements (continued)



28 NOTES TO THE CASH FLOW STATEMENT

	2008 Shs'000	2007 Shs'000
(a) Reconciliation of profit before taxation to cash generated from operations		
Profit before taxation	564,016	156,665
Adjustments for:		
Depreciation	143,413	155,858
Amortisation of prepaid operating lease rentals	1,998	1,595
Amortisation of intangible assets	266	1,165
Profit on disposal of properties held for sale	(31,708)	-
Profit on disposal of property, plant and equipment	(4,399)	(3,311)
Loss on write off of asset	1,014	-
Amortization of retirement benefits asset	9,154	9,154
Provision for impairment	3,616	-
Deficit on revaluation of assets	9,553	-
Operating profit before working capital changes	696,923	321,126
Increase in inventories	(212,085)	(149,585)
Increase in trade and other receivables	(391,205)	(14,299)
Increase in short term deposits	(3,390)	(8,398)
Increase/ (decrease) in trade and other payables	354,915	(91,040)
Movement in related company balance	137,175	129,074
Increase/ (decrease) in service gratuity	6,714	(1,177)
Movement in shareholders' loan	(52)	-
Cash generated from operations	588,995	185,701
	=====	=====
(b) Analysis of the balances of cash and cash equivalents as shown in the balance sheet		
Cash and bank balances	533,378	303,846
Bank overdraft facilities (Note 23)	-	(17,238)
At 30 June	533,378	286,608
	=====	=====
(c) Analysis of loan balances		
Bank loans	-	316,214
	=====	=====

31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The group's activities expose it to a variety of financial risks, including credit risk and the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

Risk management is carried out by the finance department under policies based on guidance received from the board of directors. Management identifies, evaluates financial risks. The board provides guidance for overall risk management, as well as providing direction on specific areas such as foreign exchange risk and liquidity risk.

The group has policies in place to ensure that sales are made to customers with an appropriate credit history.

Credit risk

Credit risk is managed on a group-wide basis. Credit risk arises from cash and cash equivalents, deposits with banks, as well as trade and other receivables. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by the banking regulatory authority. The group management assesses the credit quality of each customer, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the management. The utilisation of credit limits is regularly monitored.

The amount that best represents the group's maximum exposure to credit risk as at 30 June 2008 is made up as follows:

	Fully performing Shs'000	Past due Shs'000	Impaired Shs'000	Total Shs'000
Trade and other receivables	890,581	119,316	218,409	1,228,306
Cash and bank balances	688,752	-	-	688,752
Provision for impaired receivables	-	-	(213,865)	(213,865)
	<u>1,579,333</u>	<u>119,316</u>	<u>4,544</u>	<u>1,703,193</u>
	=====	=====	=====	=====

Notes to the Financial Statements (continued)



31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Credit risk (continued)

The amount that best represents the group's maximum exposure to credit risk as at 30 June 2007 is made up as follows:

	Fully performing Shs'000	Past due Shs'000	Impaired Shs'000	Total Shs'000
Trade and other receivables	515,656	93,790	205,122	814,568
Cash and bank balances	455,830	-	-	455,830
Provision for impaired receivables	-	-	(192,061)	(192,061)
	<u>971,486</u>	<u>93,790</u>	<u>13,061</u>	<u>1,078,337</u>
	=====	=====	=====	=====

The customers under the fully performing category are paying their debts as they continue trading.

The receivables that are past due relate to trade receivables overdue between 30 to 120 days. The receivables are not impaired and continue to be paid. The credit control department is actively following these receivables. Bank guarantees amounting to Sh 46,550,000 are held as collateral for trade receivables.

The impaired amounts are fully provided for and the amount of the loss incurred dealt with in the income statement for the year of impairment.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the board of directors, which together with management, closely monitors the group's short, medium and long term funding and liquidity management requirements. The group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Notes to the Financial Statements (continued)



31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Credit risk (continued)

The following table analyses the group's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	1-3 months Shs'000	3-12 months Shs'000	Over 1 year Shs'000	Total Shs'000
At 30 June 2008				
Financial assets				
Trade and other receivables	983,628	29,887	926	1,014,441
Cash and bank balances	688,752	-	-	688,752
Total financial assets	1,672,380	29,887	926	1,703,193
Liabilities				
Trade and other payables	750,821	21,713	400	772,934
Net liquidity gap	921,559	8,174	526	930,259
	=====	=====	=====	=====
At 30 June 2007				
Total financial assets	1,075,547	(215)	3,005	1,078,337
Total financial liabilities	412,999	6,533	-	419,532
Net liquidity gap	662,548	(6,748)	3,005	658,805
	=====	=====	=====	=====
Market risk				

(i) Foreign exchange risk

The group undertakes certain transactions denominated in foreign currencies. Exchange rate exposures are managed within approved parameters.

Notes to the Financial Statements (continued)



31 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Market risk (continued)

(i) Foreign exchange risk (continued)

The carrying amounts of the group's foreign currency denominated monetary assets and liabilities at the balance sheet date are as follows:

	USD Shs'000	GBP Shs'000	EURO Shs'000
2008			
Assets			
Bank and cash balances	179,049	-	-
Trade receivables	2,988	-	-
	<u>182,037</u>	<u>-</u>	<u>-</u>
	=====	=====	=====
Liabilities			
Trade payables	561,476	21,887	-
	=====	=====	=====
2007			
Total assets	6,856	-	4,635
Trade liabilities	46,080	3,125	-
	=====	=====	=====

At 30 June 2008, if the Shilling had weakened/strengthened by 5% against the foreign currencies with all other variables held constant, the impact on pre tax profit for the year and total capital would have been Shs 20,066,000 (2007: Shs 1,886,000) higher/lower, mainly as a result of export sales, foreign denominated loans and bank balances.

(ii) Interest rate risk

Interest rate risks arise from fluctuations in the bank borrowing rates. The interest rates vary from time to time depending on the prevailing economic circumstances. The group closely monitors the interest rate trends to minimize the potential adverse impact of interest rate changes.

As at 30 June 2008, the group had short term deposits with a carrying amount of Sh 125,374,000. An increase or decrease of 10 percent in the interest rate would result in an increase/decrease in pre-tax profit and total capital of Shs 12,357,400. At year end, the group had a borrowing from a related party of sh 178,551,000 while in the prior year the group had an overdraft of sh 17,238,000. An increase or decrease of 10 percent in the interest rate would result in an increase/decrease in pre-tax profit and total capital of Shs 17,855,100.

Notes to the Financial Statements (continued)



	2008 Shs'000	2007 Shs'000
32 CAPITAL COMMITMENTS		
Commitments at the year end for which no provision has been made in these financial statements:		
Group		
Authorised but not contracted for	184,921	65,759
	=====	=====
33 CONTINGENT LIABILITIES		
Guarantees	21,179	58,497
	=====	=====
34 INCORPORATION		

The company is incorporated in Kenya under the Companies Act.

35 CURRENCY

The financial statements are presented in Kenya Shillings thousands (Shs'000).



Form of Proxy



I/We _____
of _____ being a member/members
of Unga Group Limited, hereby appoint _____
and failing him/her _____
whom failing the duly appointed chairman of the meeting as my/our proxy to vote for me/ us and on
my/our behalf at the eighty - first Annual General meeting of the company to be held on Thursday, 27
November 2008 at 10.00 a.m. and at any adjournment thereof.

I authorize my proxy to vote as follows on the resolutions for the meeting

Item No.	Yes	No
2		
4		
5		
6 (i)		
6 (ii)		
6 (iii)		
7		
8		

As witness my/our hand this _____ day of _____ 2008

Signed

Signed

Notes

- 1 If you are unable to attend this meeting personally, this form of proxy should be completed and returned to the Secretary, Unga Group Limited, P O Box 30096 - 00100 Nairobi, to reach him not later than 48 hours before the time appointed for the meeting.
- 2 A person appointed to act as a proxy need not also be a member of the company.
- 3 If the appointer be a corporation, this form must be under its common seal or under the hand of an officer or an attorney authorised in writing.

FOLD 2



The Secretary
UNGA GROUP LIMITED
P.O. Box 30096
00100 GPO
NAIROBI

FOLD 1

FOLD 3