



## Flame Tree Group Holdings 12 months Pre-close Trading Update

### Profit warning announcement for the year ending 31 December 2017

**21-December-2017, Nairobi** –The Board of Directors of Flame Tree Group (“FTGH”), makes this announcement pursuant to Paragraph G.05 (1) (f) and (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. Earnings for the current financial year ending 31st December 2017 are forecast to be lower than 25% of the earnings for the same period in 2016.

The expected decline is primarily attributable to the challenging trading environment in 2H2017 as a result of the prolonged electioneering period in addition to write offs made on prior period trade receivables held by leading supermarket chains in Kenya.

The Company nonetheless expects to achieve a significant level of profit for the year, and the Board of Directors and Management remain optimistic of the business environment recovery expected in 2018 and anticipate measures taken to improve the Group operations will reflect higher levels of efficiency and earnings in the future period.

This announcement is based solely on the Group’s preliminary assessment of the expected financial results for the year 2017. The audited annual results for the 12 months to 31 December 2017 are expected to be released in late March 2018

**Chief Executive Officer**

**Heril Bangera**

**21 Dec 2017**

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### **About Flame Tree Group**

Flame Tree Group is listed under the Growth and Enterprise Market Segment (GEMS) on the Nairobi Securities Exchange (NSE) as NSE: FTGH. Flame Tree Group is a world-class corporation in the heart of Africa that manufactures and distributes quality and affordable brands. Its strategy is to build a diversified portfolio of African-manufactured brands for African consumers, covering plastics, cosmetics and food in multiple markets and verticals.

The Group has operations in Kenya, Rwanda, Ethiopia, Mauritius, Mozambique and UAE. The company was founded in 1989 and now employs over 1,000 people, who are focused on delivering quality, value and innovation to improve customer’s lives.

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