

East African Breweries PLC

TO ALL SHAREHOLDERS



NOTICE is hereby given that the 101st Annual General Meeting ('AGM') of East African Breweries PLC (the 'Company') will be held as a hybrid meeting (partly physical and partly virtual using electronic means) on Thursday, 14th September 2023 at Safari Park Hotel, along Thika Road, Exit 7 Nairobi at 11:00 a.m. (East Africa Time (EAT), GMT+3) to conduct the following business: -

ORDINARY BUSINESS:

- 1) To receive, consider and if thought fit, adopt the Annual Report and Audited Financial Statements for the year ended 30th June 2023 together with the Directors' Report and Auditors' Reports thereon.
- 2) **Dividend**
 - a) To confirm the Interim Dividend in respect of the Financial Year ended 30th June 2023, of Kshs 3.75 per ordinary share, which was paid subject to withholding tax, on or about 28th April 2023 to shareholders registered at the close of business on 16th February 2023.
 - b) To approve a final dividend of Kshs 1.75 per ordinary share for the Financial Year ended 30th June 2023, payable net of withholding tax as recommended by the Directors. The dividend will be payable on or 27th October 2023, to Shareholders on the Register of Members as at the close of business on 14th September 2023.
- 3) **Election of Directors:**
 - a) Ory Okolloh retires by rotation in accordance with the provisions of Articles 117 of the Company's Articles of Association, and being eligible, offers herself for re-election.
 - b) John Ulanga retires by rotation in accordance with the provisions of Articles 117 of the Company's Articles of Association, and being eligible, offers himself for re-election.
 - c) Felix Okoboi was appointed during the year to fill a casual vacancy on the Board. He retires in accordance with the provisions of Article 116 of the Company's Articles of Association, and being eligible, offers himself for re-election.
 - d) John Musunga was appointed during the year to fill a casual vacancy on the Board. He retires in accordance with the provisions of Article 116 of the Company's Articles of Association, and being eligible, offers himself for re-election.
 - e) Sathish Krishnan was appointed during the year to fill a casual vacancy on the Board. He retires in accordance with the provisions of Article 116 of the Company's Articles of Association, and being eligible, offers himself for re-election.
- 4) In accordance with the provisions of Section 769 of the Companies Act 2015, the following Directors being members of the Board Audit & Risk Management Committee, be elected to continue serving as members of the said Committee, subject to the re-election of the Directors who are named in Agenda 3 above:
 - a) John Ulanga
 - b) Jimmy Mugerwa
 - c) Leo Breen
 - d) Ory Okolloh
 - e) Felix Okoboi
- 5) To receive, consider and if thought fit approve the Directors' Remuneration Report and the remuneration paid to the Directors for the year ended 30th June 2023.
- 6) To re-appoint Messrs. PricewaterhouseCoopers (PwC) LLP as auditor of the Company in accordance with the provisions of Section 721 (2) of the Companies Act, 2015 and to authorize the Board to fix their remuneration for the ensuing financial year.
- 7) To consider any other business of which due notice has been given.

BY ORDER OF THE BOARD

KATHRYNE MAUNDU
GROUP COMPANY SECRETARY

Date: 22nd August 2023

NOTES ON THE ANNUAL GENERAL MEETING ('AGM')

- 1) East African Breweries PLC (the 'Company') has convened and is conducting this AGM as a hybrid meeting, in line with the provisions of the Company's Articles of Association.

Shareholders should register to attend the AGM either physically or electronically by Tuesday, 12th September 2023 at 11:00 a.m. (East Africa Time (EAT), GMT+3) as described further below.
- 2) Shareholders wishing to participate in the AGM should register by doing the following: -
 - a) Dialing *483*901# from any Kenyan network and follow the prompts; or
 - b) Send an email request to be registered to eabl.agm@eabl.com; or
 - c) Shareholders with email addresses will receive a registration link via email which they can use to register.

In order to complete the registration process, shareholders will need to have their ID/Passport Numbers which were used to purchase their shares and/or their CDSC Account Number at hand.

For assistance, shareholders should dial the following helpline number: (+254) 709 170 034 from 8:00 a.m. to 5:00 p.m. from Monday to Friday.

Shareholders are requested to indicate at the point of registration, if they will attend the meeting physically, at Safari Park Hotel.

Kindly note that registration for the AGM will only be undertaken as outlined above; shareholders will not be able to register for the AGM at the venue of the meeting on the 14th September 2023.
- 3) Registration for the AGM opens on Tuesday, 22nd August 2023 at 11:00 am East Africa Time (GMT+3) and will close on Tuesday, 12th September 2023 at 11:00 am East Africa Time (GMT+3).

- 4) In accordance with Section 180 of the Company's Articles of Association, the following documents may be viewed on the Company's website www.eabl.com
 - (i) a copy of this Notice and the Proxy form;
 - (ii) the Company's Audited Financial Statements for the year ended 30th June 2023.

The Condensed Audited Financial Statements for the year ended 30th June 2023 have been published with this Notice.

The reports may also be accessed upon request by dialing the USSD code above and selecting the Reports option. The reports and agenda can also be accessed on the livestream link.

- 5) Shareholders wishing to raise any questions or clarifications regarding the AGM may do so by:
 - a) Sending their written questions by email to eabl.agm@eabl.com; or
 - b) Shareholders who will have registered to participate in the meeting shall be able to ask questions via SMS by dialing the USSD code above and selecting the option (ask Question) on the prompts; or
 - c) Visiting www.eabl.com and accessing the 2023 AGM page where you can log a question directly on the webpage; and
 - d) In the event that the above is not possible, written questions should be physically delivered with a return physical address or email address to the registered office of the Company at EABL Bustani Office, 5th Floor, Garden City Business Park, Block A, Garden City Road, off Exit 7 Thika Superhighway, Ruaraka, Nairobi OR delivered to Image Registrars Limited, 5th Floor, Absa Towers (formerly Barclays Plaza), Loita Street, P.O. Box 9287 – 00100 GPO, Nairobi.

Shareholders must provide their full details (full names, ID/Passport Number/CDSC Account Number) when submitting their questions and clarifications.

Any questions and clarifications must reach the Company on or before Tuesday, 12th September 2023 at 11:00 am. Limited questions may be responded to from the floor of the meeting during the AGM.

Following receipt of the questions and clarifications, the directors of the Company shall provide written responses to the questions received to the return physical address or email address provided by the Shareholder no later than 12 hours before the start of the AGM. All questions received will be responded to via the channel used by the shareholder i.e. SMS (for USSD option), Email, Letter, or Telephone call. Questions will also be responded to during the meeting.

A full list of all questions received arranged in thematic areas, and the answers thereto will be published on the Company's website not later than 24 hours following the conclusion of the meeting.

- 6) In accordance with Section 298(1) of the Companies Act, 2015 shareholders entitled to attend and vote at the AGM are entitled to appoint a proxy to vote on their behalf.

A proxy need not be a member of the Company. If the Proxy appointed is not the Chairman of the AGM, the appointed proxy will need access to a mobile telephone.

A proxy form is available on the Company's website via this link: www.eabl.com. Physical copies of the proxy form are also available at the Company Office Headquarters, situated at EABL Bustani Office, 5th Floor, Garden City Business Park, Block A, Garden City Road, off Exit 7 Thika Superhighway, Ruaraka, Nairobi OR from Image Registrars Limited offices, 5th Floor Absa Towers (formerly Barclays Plaza), Loita Street.

A proxy must be signed by the appointor or his attorney duly authorized in writing. If the appointor is a body corporate, the instrument appointing the proxy shall be given under its common seal or under the hand of an officer or duly authorized attorney of such body corporate.

A completed form of proxy should be emailed to eabl.agm@eabl.com or delivered to Image Registrars Limited, 5th Floor Absa Towers (formerly Barclays Plaza), Loita Street, P.O. Box 9287 – 00100 GPO, Nairobi, so as to be received not later than 48 hours before the time of holding the meeting i.e. by Tuesday, 12th September 2023 at 11:00 a.m. Any person appointed as a proxy should submit his/her mobile telephone number to the Company no later than Tuesday, 12th September 2023 at 11:00 a.m. Any proxy registration that is rejected will be communicated to the shareholder concerned no later than Tuesday, 12th September 2023 to allow time to address any issues.

- 7) The AGM will be streamed live via a link which shall be provided to all shareholders who will have registered to participate in the general meeting. Duly registered shareholders and proxies will receive a short message service (SMS/USSD) prompt on their registered mobile numbers, 24 hours prior to the AGM acting as a reminder of the AGM. A second SMS/USSD prompt shall be sent one hour ahead of the AGM, reminding duly registered shareholders and proxies that the AGM will begin in an hour's time and providing a link to the live stream.
- 8) Duly registered shareholders and proxies may follow the proceedings of the AGM using the live stream platform and may access the agenda. Duly registered shareholders and proxies may vote when prompted by the Chairman.
- 9) A poll shall be conducted for all the resolutions put forward in the notice.
- 10) Results of the poll shall be published within 48 hours following the conclusion of the AGM, in two newspapers of national circulation and on the Company's website.
- 11) To ensure receipt of future dividends in a timely manner, Shareholders are hereby requested to provide their bank details and update their payment option to electronic funds transfer method through their respective stockbrokers or the Registrar to facilitate remittance of dividends through their bank accounts in future. In addition, shareholders can opt-in for their future dividends to be paid to them via mobile money transfer when registering for the AGM.
- 12) Shareholders are encouraged to continuously monitor the Company's website www.eabl.com for updates relating to the AGM. Please report any challenges or issues that you may face to us immediately for quick resolution using the email address eabl.agm@eabl.com or our helpline (+254) 709 170 000 from 8:00 a.m. to 5:00 p.m. from Monday to Friday.
- 13) The Company offices are open during normal business hours on any weekday (Saturday, Sunday, and Kenya public holidays excluded), unless closed for any other legal or legitimate reason. Unless stated otherwise, all timings quoted in this notice are East Africa Time (GMT+3).

Net Sales
Kshs 109.6bn
+0.2%

Profit After Tax
Kshs 12.3bn
-21%

Dividend Per Share
Kshs 5.50
F22: Kshs 11.00

Condensed consolidated statement of comprehensive income for the year ended:

	30 June 2023 Kshs 'M	30 June 2022 Kshs 'M
Gross sales	197,611	193,850
Indirect taxes	(87,962)	(84,441)
Net revenue	109,649	109,409
Cost of sales	(62,249)	(56,553)
Gross profit	47,400	52,856
Operating costs	(23,206)	(24,604)
Net finance costs	(5,485)	(4,236)
Profit before income tax	18,709	24,016
Income tax expense	(6,386)	(8,442)
Profit for the year	12,323	15,574
Other comprehensive income	4,237	1,272
Total comprehensive income	16,560	16,846
Basic earnings per share	12.47	15.00

Condensed consolidated statement of financial position as at:

	30 June 2023 Kshs 'M	30 June 2022 Kshs 'M
Share capital and share premium	3,273	3,273
Retained earnings	14,186	8,678
Other reserves	2,569	(1,470)
Proposed dividend	1,384	5,733
Non-controlling interests	10,332	10,200
Total equity	31,744	26,414
Borrowings	51,017	36,161
Other non-current liabilities	7,941	6,013
Non-current liabilities	58,958	42,174
Total equity and non-current liabilities	90,702	68,588
Property, plant and equipment	81,477	68,585
Other non-current assets	7,678	6,431
Non-current assets	89,155	75,016
Inventories	15,608	13,272
Trade and other receivables	12,250	11,793
Cash and bank balances	10,253	9,942
Other current assets	5,327	404
Current assets	43,438	35,411
Trade and other payables	30,527	32,210
Borrowings	8,401	6,634
Bank overdraft	1,210	1,875
Other current liabilities	1,753	1,120
Current liabilities	41,891	41,839
Net current assets/(liabilities)	1,547	(6,428)
	90,702	68,588

Condensed consolidated statement of changes in equity

	Share capital & share premium Kshs 'M	Other reserves Kshs 'M	Retained earnings Kshs 'M	Proposed dividends Kshs 'M	Non controlling interest Kshs 'M	Total Kshs 'M
At 30 June 2021	3,273	(2,607)	5,519	-	8,667	14,852
Comprehensive income	-	1,229	11,857	-	3,760	16,846
Employees share based ownership plan	-	(92)	-	-	-	(92)
Dividends	-	-	(8,698)	5,733	(2,227)	(5,192)
At 30 June 2022	3,273	(1,470)	8,678	5,733	10,200	26,414
Comprehensive income	-	4,124	9,857	-	2,579	16,560
Employees share based ownership plan	-	(85)	-	-	-	(85)
Dividends:						
-Final for 2022	-	-	-	(5,733)	(2,447)	(8,180)
-Total for 2023	-	-	(4,349)	1,384	-	(2,965)
At 30 June 2023	3,273	2,569	14,186	1,384	10,332	31,744

Condensed consolidated statement of cash flows for the year ended:

	30 June 2023 Kshs 'M	30 June 2022 Kshs 'M
Cash generated from operations	26,145	35,330
Net interest paid	(5,485)	(4,048)
Income tax paid	(9,606)	(5,376)
Net cash generated from operating activities	11,054	25,906
Purchase of property, plant and equipment	(12,926)	(13,007)
Other investing activities	(100)	(165)
Net cash used in investing activities	(13,026)	(13,172)
Dividends paid	(10,852)	(5,225)
Proceeds from borrowings	37,962	19,519
Repayment of borrowings	(23,563)	(22,926)
Other financing activities	(883)	(766)
Net cash generated from financing activities	2,664	(9,398)
Net increase in cash and cash equivalents	692	3,336
At start of the year	8,067	4,421
Foreign exchange impact of translation	284	310
Net increase in cash and cash equivalents	692	3,336
Cash and cash equivalents at the end of the year	9,043	8,067