

EAST AFRICAN BREWERIES PLC (EABL)

TENDER OFFER ANNOUNCEMENT

to purchase up to 2,177,995 ordinary shares
in the issued share capital of

UGANDA BREWERIES LIMITED (UBL)



THE TENDER OFFER

EABL hereby announces that, pursuant to the Tender Offer Document also published today (the “Tender Offer Document”) on the websites of EABL at <https://www.eabl.com/> and Image Registrars Limited (the “Data Processing Agent”) at https://www.image.co.ke/download_resources/16, it is offering to acquire up to 2,177,995 ordinary shares in UBL (the “Ordinary Shares”), which represents a maximum of 1.81% of the issued share capital of UBL, by means of a tender offer (the “Tender Offer”) made to all the other shareholders of UBL. The Tender Offer will be on a “willing buyer, willing seller” basis, with no element of pressure on shareholders who do not wish to sell.

THE TENDER OFFER TIMETABLE

Subject to the terms and conditions set out in the Tender Offer Document, the Tender Offer will open at 9:00 a.m. on 3rd September 2024 and will be open to holders of Ordinary Shares (other than EABL) (“Shareholders”) on the register of members of UBL as at 2nd September 2024.

The Tender Offer will close at 5:00 p.m. on 3rd March 2025, following which the entitlements of Shareholders whose Tender Offer Acceptance Form have been received by the Data Processing Agent prior to 5:00 p.m. on 3rd March 2025 (the “Closing”) will be calculated and settled.

THE TENDER OFFER PRICE

The price payable for each Ordinary Share tendered in the Tender Offer is UGX 5,630 Uganda Shillings Five Thousand Six Hundred and Thirty) per share (the “Tender Price”).

As explained in more detail in the Tender Offer Document, the Board of Directors of EABL commissioned an independent valuation of the shares of UBL which was conducted by Mazars BRJ, a Certified Firm of Accountants in Uganda (the “Independent Valuer”). The Independent Valuer arrived at the Tender Price by calculating the average of the Market Multiples Approach (Enterprise Value to EBITDA Multiple) and the Discounted Cash Flows (DCF).

IMPACT OF THE TENDER OFFER ON EABL

At the date of this announcement, EABL holds 118,293,313 ordinary shares in UBL, which represent 98.19% of the issued share capital of UBL. If the Tender Offer is accepted in full, EABL will hold 120,471,208 ordinary shares, which would represent 100% of UBL’s issued share capital.

ACTION TO BE TAKEN

EABL will send printed or electronic copies of this Tender Offer announcement, the detailed Tender Offer Document, a blank Tender Offer Acceptance Form and a blank share transfer form to each Shareholder, at the address or email address specified on the UBL’s shareholder register as at 2nd September 2024.

Copies of each of these documents are also available on the website of EABL at <https://www.eabl.com/> and the website of the Data Processing Agent at https://www.image.co.ke/download_resources/16.

If any Shareholder does not wish to accept the Tender Offer and wishes to continue to remain a shareholder in UBL, then such Shareholder does not need to take any further action.

If any Shareholder wishes to tender all or some of its ordinary shares in UBL in the Tender Offer, then they will need to complete, execute and return the Tender Offer Acceptance Form and share transfer form to the Data Processing Agent, in accordance with the detailed terms and conditions set out in the Tender Offer Acceptance Form and the detailed Tender Offer Document.

IF YOU ARE IN ANY DOUBT AS TO THE CONTENTS OF THIS NOTICE OR THE ACTION YOU SHOULD TAKE REGARDING THIS TENDER OFFER, YOU SHOULD CONSULT YOUR FINANCIAL OR LEGAL ADVISER.

TERMS AND CONDITIONS AND FURTHER INFORMATION

The terms and conditions of the Tender Offer are set out in the Tender Offer Document and the Tender Offer Acceptance Form.

Further information in relation to EABL is set out in the Tender Offer Document.

NOTIFICATIONS TO REGULATORS

The Capital Markets Authority of Kenya and Nairobi Securities Exchange have been notified of the Tender Offer as a matter of procedure under paragraph E.05 of the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002 (the Disclosure Regulations).

EABL is cross-listed on the Uganda Securities Exchange and Dar es Salaam Securities Exchange. Accordingly, the Capital Markets Authority in Uganda, Ugandan Securities Exchange, Capital Markets & Securities Authority in Tanzania and Dar es Salaam Stock Exchange have been notified of the Tender Offer as a matter of procedure under paragraph A.07 the Disclosure Regulations.

PARTIES TO THE TENDER OFFER

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| Offeror: | East African Breweries Plc Garden City Business Park, Block A, 5 th Floor Peponi Road, Off Ngumba Road, Exit 7, Off Thika Superhighway P.O. Box 30161 00100 Nairobi, Kenya |
| Offeree: | Uganda Breweries Limited Plot 3 - 17, Port Bell Road Luzira Kampala - Uganda |
| Legal Adviser to the Offeror | Coulson Harney LLP (Bowmans Kenya) 5 th Floor, West Wing, ICEA Lion Centre Riverside Park, Chiromo Road, P.O. Box 10643-00100 Nairobi, Kenya |
| | AF Mpanga Advocates 4 th Floor, DFCU Towers 26 Kyadondo Road, Nakasero, Kampala, P.O. Box 1520 Kampala, Uganda |
| Data Processing Agent: | Image Registrars Limited, Jubilee Insurance Center Plot 14, Parliament Avenue, 1 st Floor Kampala, Uganda Email: ublshares@image.co.ke Website: www.image.co.ke and click on the Shareholder Services tab. Telephone: +256 762 260 804 |