

# East African Breweries Limited

## FULL YEAR RESULTS

For the year ended 30<sup>th</sup> June 2019

**+ 12%**  
Revenue

**Kshs 11.5 billion**  
Profit After Tax

**Kshs 8.50 per share**  
Total Dividend

### Condensed consolidated income statement

	Year ended 30 June	
	2019 Kshs 'M	2018 Kshs 'M
Revenue	82,543	73,457
Cost of sales	(44,426)	(41,052)
<b>Gross profit</b>	<b>38,117</b>	<b>32,405</b>
Total costs	(20,302)	(20,663)
<b>Profit before income tax</b>	<b>17,815</b>	<b>11,742</b>
Income tax expense	(6,300)	(4,486)
<b>Profit for the year</b>	<b>11,515</b>	<b>7,256</b>
<b>Basic Earnings per share</b>	<b>11.23</b>	<b>7.19</b>

### Condensed consolidated statement of financial position

	Year ended 30 June	
	2019 Kshs 'M	2018 Kshs 'M
Total equity	16,155	11,652
Non-current liabilities	37,251	33,811
<b>Total equity and non-current liabilities</b>	<b>53,406</b>	<b>45,463</b>
<b>Non-current assets</b>	<b>57,463</b>	<b>49,721</b>
<b>Working capital</b>		
Current assets	29,602	21,526
Current liabilities	(33,659)	(25,784)
<b>Net assets</b>	<b>53,406</b>	<b>45,463</b>

### Condensed consolidated statement of changes in equity

Year ended 30 June	Share capital & Share premium	Other reserves	Proposed dividend & Retained earnings	Non-controlling interest	Total equity
	Kshs 'M	Kshs 'M	Kshs 'M	Kshs 'M	Kshs 'M
<b>At 1 July 2017</b>	<b>3,273</b>	<b>(2,571)</b>	<b>11,684</b>	<b>(397)</b>	<b>11,989</b>
Comprehensive income	-	(811)	5,683	1,517	6,389
Transactions with non-controlling interests	-	-	(5,694)	5,694	-
Shared based payments	-	(493)	540	-	47
Dividends	-	-	(5,931)	(843)	(6,774)
<b>At 30 June 2018</b>	<b>3,273</b>	<b>(3,875)</b>	<b>6,282</b>	<b>5,971</b>	<b>11,651</b>
Total comprehensive income for the year	-	576	8,804	2,673	12,053
Share based payments	-	(90)	-	-	(90)
Dividends	-	-	(6,326)	(1,133)	(7,459)
<b>At 30 June 2019</b>	<b>3,273</b>	<b>(3,389)</b>	<b>8,760</b>	<b>7,511</b>	<b>16,155</b>

### Condensed consolidated statement of cash flows

	Year ended 30 June	
	2019 Kshs 'M	2018 Kshs 'M
Cash generated from operations	28,491	21,717
Net interest paid	(3,604)	(3,347)
Tax paid	(2,321)	(4,811)
<b>Net cash generated from operating activities</b>	<b>22,566</b>	<b>13,559</b>
Net cash used in investing activities	(11,546)	(10,492)
Net cash used in financing activities	(1,724)	(3,493)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>9,296</b>	<b>(426)</b>
Cash and cash equivalents at start of year	3,187	3,318
Foreign exchange impact of translation	(14)	295
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>9,296</b>	<b>(426)</b>
<b>Cash and cash equivalents at end of year</b>	<b>12,469</b>	<b>3,187</b>

The Board of Directors of East African Breweries Limited is pleased to announce its full year results for the year ended 30<sup>th</sup> June 2019. EABL's net revenue for the period rose by 12% to Kshs 82.5 billion driven by strong underlying performance on the back of a stable operating environment in the region. Profit before tax grew to Kshs 17.8 billion attributable to increased revenues and continued cost efficiencies across the organization.

#### Key Highlights:

- Group's volumes grew by 11% driven by strong performance across all categories and markets.
- Innovations contributed Kshs 20.3 billion to stand at 24% of the net revenues across our markets mainly driven by brands such as Serengeti Lite, Tusker Cider, Chrome Vodka, Captain Morgan Gold and Uganda Waragi Pineapple.
- Gross profit improved by 18% and profit after tax grew to Kshs 11.5 billion driven by strong underlying performance, positive mix and cost efficiencies driven through the productivity initiatives.
- Group's capital expenditure stood at Kshs 11.7 billion with completion of the new Kisumu brewery, in line with supporting the company's future growth.

Overall, EABL delivered a strong and consistent set of results in the year across all categories. We continue a solid sustainable trajectory towards our ambition supported by continued investment behind our brands and capital expenditure.

#### Dividend

The Board of Directors has recommended a final dividend of Kshs 6.0 per share. Total dividend for the year is Kshs 8.5 per share.

By order of the Board

Joyce Munene  
Group Company Secretary  
Date: 25<sup>th</sup> July 2019