

EAST AFRICAN BREWERIES LIMITED

MINUTES OF THE NINETY-SIXTH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT THE JAMBO BALL ROOM, SAFARI PARK HOTEL, NAIROBI ON WEDNESDAY 19TH SEPTEMBER 2018 AT 11:00AM

Present:

Mr. C. Muchene	-	Chairman
Mr. J. O'Keeffe	-	Vice Chairman
Mr. A. Cowan		
Dr. G. Geiszl		
Mrs. J. Karuku		
Mr. J. Katto		
Ms. C. Musyoka		
Dr. M. Oduor-Otieno		
Mr. P. Gallagher		
Mr. J. Mugerwa		
Ms. J. Munene	-	Company Secretary

Invitees:

Mr. M. Mugasa	-	PricewaterhouseCoopers, the Company's Auditors
Mr. R. Harney	-	Coulson Harney Advocates, the Company's Legal Advisors
Mr. P. Kihiu	-	Custody & Registrars, the Company's Shares Registrar

Members in person	646
Members via Proxies	230
Total	876

01/2018 WELCOME REMARKS BY CHAIRMAN

The Chairman welcomed Shareholders to the Annual General Meeting and introduced members of the Board and representatives from the Company's Auditors, Lawyers and Shares Registrar.

02/2018 QUORUM & NOTICE OF THE MEETING

The Chairman requested the Secretary to confirm quorum and read the notice of the meeting. After confirmation of quorum and the notice being read, the Chairman declared the meeting as duly constituted.

03/2018

**REPORT OF DIRECTORS AND AUDITED
ACCOUNTS**

The Chairman gave a broad overview about the environment in which the business operated during the last financial year as well as highlights of the Company's performance.

He informed the shareholders that the economic indicators in the key markets that the company operated were generally stable in F18, but prolonged electioneering in Kenya during the first half of the financial year, culminating in two elections, had a negative impact on affordability of our products. He further informed shareholders that Excise tax on imports in Uganda had also impacted negatively on our performance. These factors had resulted in flat growth in net sales compared to the preceding year.

Shareholders noted that despite these challenges, continued investment in capacity, marketing and innovation during the difficult times ensured that the Company was able to bounce back strongly in the second half of the financial year with all business units growing, to post an overall impressive 5% growth in net sales for the year and a strong cash delivery. He informed shareholders that Serengeti Breweries, the Company's subsidiary in Tanzania had posted a record year and was a significant tailwind to the whole Group.

The Chairman reported that over the last five years, the Company had invested on average Kshs 5 billion annually to help boost capacity, improve efficiency, enhance quality of its products, make EABL a safe working place and reduce the impact of our business on the environment. Last year, the Company spent over Kshs 5 billion on CAPEX and additionally spent approximately Kshs 8 billion on the new Kisumu brewery. Shareholders were informed that a further Kshs 7 billion would be invested in the Kisumu brewery during the current financial year before its commissioning. In regards to brands, the Chairman informed shareholders that the business continued to make investments behind both existing and new brands to help respond to the ever-changing demands of current

and potential consumers. The business accelerated its efforts in marketing its brands thereby helping deliver impressive results in bottled beer and spirits led by Tusker, Serengeti, Guinness and Johnnie Walker.

The Chairman further reported to the shareholders that the Company continued building mutually beneficial relationships with its stakeholders particularly grain farmers, distributors, retailers and government. The Company's partnership with Government to eradicate illicit alcohol and its associated harms helped the business recruit from illicit brews, accelerate farmers' financial gains and helped the Company to contribute taxes for development of East Africa economies.

Regarding business outlook, the Chairman reported that the Company was cautiously optimistic about what the good prospects of a stable macro-economic and political environment meant to the future of our business.

On the governance front, the Chairman informed shareholders that the business was firmly committed to complying with laws, regulations and embracing best practice. The level of detail in the Integrated Annual Report was in line with global best practice. The Company also enhanced the involvement of independent directors in the oversight of its operating subsidiaries, demanding more of their time and increasing the numbers of Board meetings. During the year, the board bid farewell to Alan Shonubi, who retired on completion of his term, and to Nehemiah Mchechu who resigned to pursue other interests. The board also welcomed Jimmy Mugerwa to the Board and looks forward to his contribution.

Thereafter, the Chairman invited the Group Managing Director and the Group Finance & Strategy Director to share top line highlights of the Company's performance.

With those remarks the Chairman then invited Mr. M. Mugasa of PricewaterhouseCoopers to read the Auditors' Report to Members after which, Shareholders were given an opportunity to ask

questions on the business performance.

After extensive discussions, the Chairman requested a Shareholder to propose the first Resolution of the meeting.

Mr. T. Matolo proposed the following resolution:

THAT the Annual Report and the Audited Financial statements for the year ended 30 June, 2018 as audited and reported on by the Company's Auditors together with the Directors Report now submitted to this meeting be and is hereby approved and adopted.

Mr. M. Andati seconded the resolution which was put to the meeting and declared as carried unanimously.

04/2018 DIVIDEND DECLARATION

Mr. J. Mbugua proposed the following resolution:

THAT the interim dividend of Kshs 2.00 per ordinary share paid on 20 April 2018 be and is hereby confirmed and that a final dividend of Kshs 5.50 per ordinary share payable, net of Withholding Tax, on or about the 30 October 2018 to Shareholders on the Register at the close of business on 24 August 2018 be and is hereby approved.

Mr. J. Gituma seconded the resolution which was put to the meeting and declared as carried unanimously.

05/2018 ELECTION OF DIRECTORS

Mr. P. Andeyo proposed the following resolution:

THAT Mr. Jimmy Mugerwa be and is hereby re-elected a Director of the Company in accordance with Article 105 of the Articles of Association.

Mr. Kiarie seconded the resolution which was put to the Meeting and declared carried unanimously.

Mr. G. Maoga proposed the following resolution:

THAT Dr. Martin Oduor-Otieno be and is hereby re-elected a Director of the Company in accordance with Article 108 of the Articles of Association.

Mrs. S. Chepkorir seconded the resolution which was put to the Meeting and declared carried unanimously.

Mr. Wachira proposed the following resolution:

THAT Mr. Paul Gallagher be and is hereby re-elected a Director of the Company in accordance with Article 108 of the Articles of Association.

Mr. A. Oduor seconded the resolution, which was put to the Meeting and declared carried unanimously.

BOARD AUDIT & RISK COMMITTEE MEMBERS

Mr. F. Githinji proposed the following resolution:

THAT Dr. Oduor-Otieno, Mr. Katto, Mr. Gallagher and Mr. Mugerwa be elected to continue serving as members of the Board Audit & Risk Committee.

Mr. D. Migera, seconded the resolution which was put to the Meeting and declared carried unanimously.

06/2018 REMUNERATION OF DIRECTORS

The Chairman advised shareholders that the Directors Remuneration Report was contained in pages 94 to 98 of the Integrated Report. He informed shareholders that changes in the regulatory and governance framework required

directors of listed companies to submit a director's remuneration report for each financial year so as to enhance the level of transparency and disclosure in reporting on director's remuneration. He advised that the report highlights the theme of the remuneration policy and framework together with the principles that govern recognition of director's contribution to the business. The report further detailed how the policy was implemented in F18 for the Executive and Independent Non-Executive Directors and also provided a comparison with its implementation in F17. Shareholders were advised that there was an increase in Independent Directors Remuneration pursuant to a detailed benchmarking exercise with EABL's peers that was conducted in F17 and implemented in F18. The increase in Independent Directors Remuneration had been approved by Shareholders at the previous AGM. The Chairman further advised shareholders that in view of the new requirement under the Companies General Amendment Regulations that required directors to disclose the voting results on the director's remuneration report in the following years' remuneration report, shareholders would be required to vote by ballot on the resolution to approve the remuneration report. Ballot papers were issued to shareholders during the registration process and they were requested to vote and drop their ballot inside any of the ballot boxes placed at the exit at the end of this meeting. Shareholders were advised that the results declared would be uploaded onto the Company's website within 5 working days of the AGM, included in the Minutes of the AGM as a Resolution passed or rejected at the AGM and communicated to the Regulators and Securities Exchanges in Kenya, Uganda and Tanzania.

Results of the Vote on the Resolution:

Description	Number of shares	Percentage (of total attendance)
Votes For	473,530,048	96.38%
Votes Against	649,111	0.13%
Votes withheld / spoilt	17,130,763	3.49%
TOTAL VOTES	491,309,922	100%

07/2018 APPOINTMENT AND REMUNERATION OF AUDITORS

Mr. J. Odhiambo proposed the following resolution:

THAT PricewaterhouseCoopers continue in office as Auditors of the Company for the period ending with the next Annual General Meeting of the Company and that the Directors be authorized to determine their remuneration.

Mr. S. Ngini seconded the resolution which was put to the Meeting and declared carried unanimously.

08/2018 ADOPTION OF CERTAIN AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Chairman advised shareholders that the proposed amendments to the Company's Articles of Association were informed by the need to align the Company's Articles with the provisions of the new Companies Act, changes in regulations, and also recognize requests previously made by shareholders in regards to the use of telecommunication as an additional mode of communicating with them. A print out of the detailed resolutions had been provided to shareholders. The draft amended Articles of Association together with the resolutions to amend the Articles were uploaded onto the Company's website on 28th August 2018.

After the briefing, Mr. A. Chami proposed the following resolution:

THAT the existing Articles of Association of the Company be amended as per the draft text of the revised Articles of Association, the changes being made in order to align certain provisions of the Articles of Association to the Companies Act, 2015 and the CMA Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015.

Mr. Nyambati seconded the resolution which was put to the Meeting and declared carried unanimously.

09/2018 END OF PROCEEDINGS

Having received no notice of any other business, the Chairman declared the business of the Ninety-Sixth Annual General Meeting as concluded and thanked Shareholders for their attendance.

**CONFIRMED AND APPROVED THIS 14th DAY OF
NOVEMBER 2018**

CHAIRMAN

SECRETARY