

EAST AFRICAN BREWERIES LIMITED

MINUTES OF THE NINETY-SEVENTH ANNUAL GENERAL MEETING OF THE COMPANY HELD AT THE PARADISE GARDENS, SAFARI PARK HOTEL, NAIROBI ON WEDNESDAY 18TH SEPTEMBER 2019 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. J. Mugerwa		
Mr. J. Ulanga		
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
Mrs. K. Makatiani	-	Custody & Registrars, the Company’s Shares Registrar

Members in person	719
Members via Proxies	228
Total	947

01/2019 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.

02/2019 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.

03/2019

**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 a number of initiatives had been undertaken by the Company in order to enhance the commercial and financial performance of the business and to safeguard shareholders investment. The initiatives included:

1. Restructuring and re-financing the business in Tanzania leading to a remarkable recovery in both financial performance and market share;
2. Realizing value tied up in non-production assets and directing the proceeds to investments in the core business;
3. Investing over Kshs 40b in capital expenditure over the last 5 years to enhance production capacity across the region and to support the innovation and production efficiency agendas;
4. Significant effort and investments had been undertaken to support the recovery of bottled beer in Uganda resulting in the Guinness brand in Uganda being the fastest growing beer brand in the Group;
5. Growth in volumes, net sales and profitability, driven by an innovation agenda that responds to changing consumer needs and geared towards recruiting consumers from the illicit market as part of the company's responsibility to the communities that it serve;
6. Gradually increasing the proportion of local raw materials used in the production process from 20% less than a decade ago to the current 80%, thus supporting our social and environmental agenda; and
7. Continuing to be a major contributor to Exchequers across East Africa thus supporting the economies in which the business operates.

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. E. Masaba proposed the following resolution:

THAT the Annual Report and the Audited Financial statements for the year ended 30 June, 2019 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. G. Oduor seconded the resolution which was put to the meeting and declared as carried unanimously.

04/2019 DIVIDEND DECLARATION

Ms. Rose proposed the following resolution:

THAT the interim dividend of Kshs 2.50 per ordinary share paid on 11 April 2019 be and is hereby confirmed and that a final dividend of Kshs 6.00 per ordinary share payable, net of Withholding Tax, on or about the 11 October 2019 to Shareholders on the Register at the close of business on 25 September 2019 be and is hereby approved.

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

05/2019 ELECTION OF DIRECTORS

Mr. J. Gituma proposed the following resolution:

THAT Mr. John Ulanga be and is hereby re-elected a Director of the Company in accordance with Article 116 of the Articles of Association.

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

Mr. S. Kiragu proposed the following resolution:

THAT Mr. Japheth Katto be and is hereby re-elected a Director of the Company in accordance with Article 119 of the Articles of Association.

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

Mrs. S. Chepkorir proposed the following resolution:

THAT Dr. Gyorgy Geiszl be and is hereby re-elected a Director of the Company in accordance with Article 119 of the Articles of Association.

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

Mr. Kiarie proposed the following resolution:

THAT Mrs. Jane Karuku be and is hereby re-elected a Director of the Company in accordance with Article 119 of the Articles of Association.

Prof. R. Obutho seconded the resolution, which was put to the Meeting and declared carried unanimously.

BOARD AUDIT & RISK COMMITTEE MEMBERS

Mr. P. Kiswili proposed the following resolution:

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

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

06/2019 REMUNERATION OF DIRECTORS

The Chairman advised shareholders that the Directors Remuneration Report was contained in pages 100 to 105 of the Integrated Report. He advised that the report highlighted 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 F19 for the Executive and Independent Non-Executive Directors and also provided a comparison with its implementation in F18. Shareholders were advised that there was a reduction in Independent Directors Remuneration during the financial year because of a vacancy on the board. Shareholders were further advised that the Remuneration Policy provides that the structure for Independent Directors Remuneration is reviewed every two years. Any proposed changes to the remuneration structure are presented to the shareholders for approval. The remuneration structure came up for review during the financial year and the board was proposing a consolidated remuneration amount of Kshs 36,700,000/- for all Independent Directors for the year ending 30th June 2020.

The Chairman 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.

It was further noted that the results would also be 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)
For	439,864,980	99.272%
Against	4,517	0.001%
Withheld	3,210,733	0.725%
Spoilt	12,320	0.003%
TOTAL VOTES	443,092,550	100%

07/2019 APPOINTMENT AND REMUNERATION OF AUDITORS

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

08/2019 END OF PROCEEDINGS

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

CONFIRMED AND APPROVED THIS 12th DAY OF NOVEMBER 2019.