

EABL F22 HALF YEAR RESULTS

January 2022

Cheers
to our next
100
years



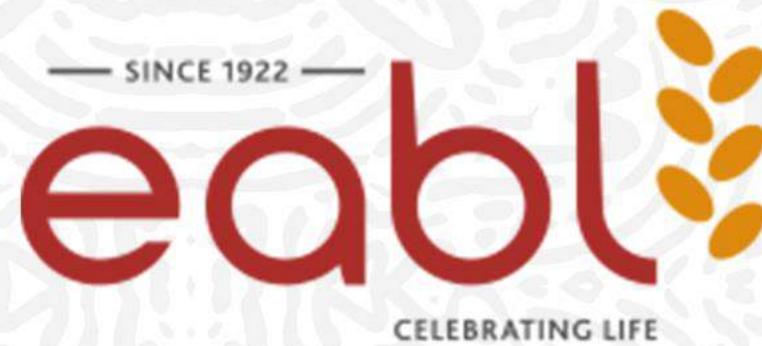
AGENDA

F22 Business Review

F22 Financial Review

Looking Ahead

Q&A



100 YEARS OF CREATING VALUE



Listed as a **public company**

1934



EABL listed on the
Nairobi stock exchange

1954

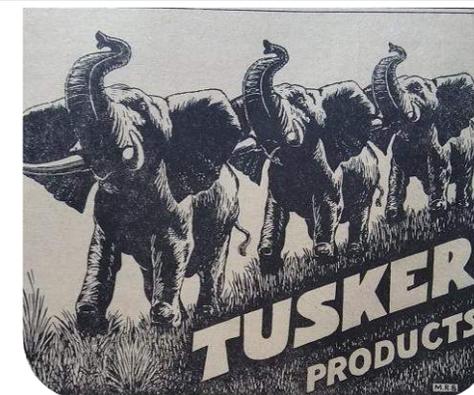
1922

Incorporated as a private company
and the first beer brewed.



1946

Birth of Uganda Breweries Ltd.



100 YEARS OF CREATING VALUE



100 YEARS OF CREATING VALUE



Acquires Serengeti Breweries (SBL)

2010



Issues Kshs 11bn medium term note

2021



2005

Set up EABL Foundation



2018

Kisumu brewery recommissioned



2022

EABL Centenary

EABL IS EMERGING STRONGER



Delivered an **exceptional half**, grew the top line fast and bottom line faster



Consumer at the heart of our commercial execution and brand plans



Increased investment in our iconic brands, capacity and people



Continued progress on our **society 2030 sustainability** goals



Creating sustainable **shareholder value**

GREAT PERFORMANCE ACROSS KEY METRICS

% vs same period last year (SPLY)

NSV



+23%
Kes 54.9bn

Profit After Tax



+131%
Kes 8.7bn

Free Cash Flow



+26%
Kes 6.3bn

Interim Dividend

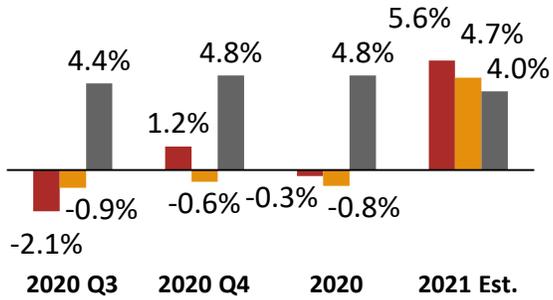


3.75 Kes

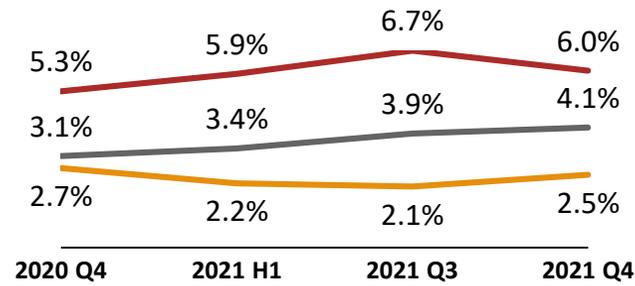
MACRO INDICATORS IMPROVING

Kenya Uganda Tanzania

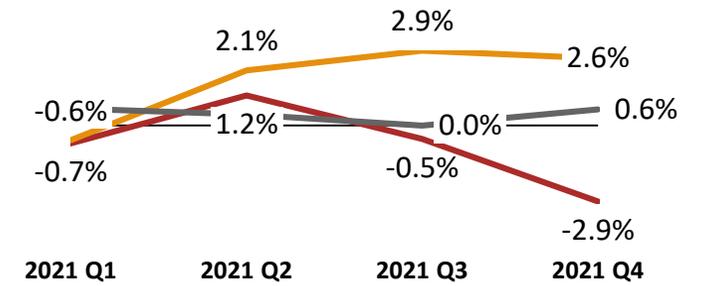
GDP growth bouncing back in 2021



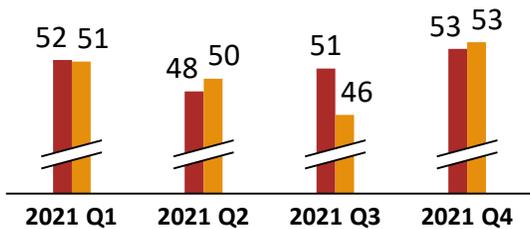
Inflation remains moderate



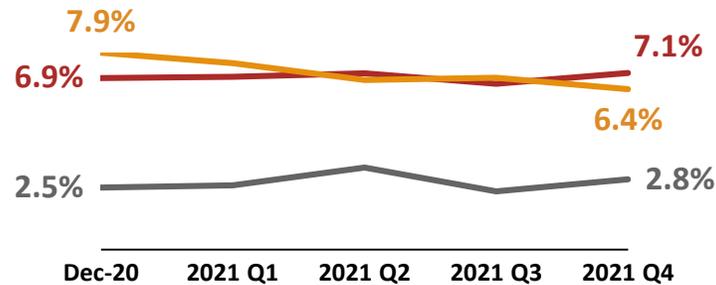
Currency gains in UG & TZ, deterioration in KE



PMI rising



T-bill rates trending upwards in KE and TZ



Business environment

- Easing of trade restrictions
- Covid-19 fatality rate dropping
- Global supply chain disruptions
- Revenue collection pressure on Gov't

KEEPING CLOSE TO OUR CONSUMER THROUGH DYNAMIC, ALWAYS-ON RESEARCH



CONSUMER

- Desire to drink 'better'
- Digitization
- Covid-19 anxiety decreasing

CATEGORY

- Beer recovering
- Spirits growth momentum continuing



OCCASION

- Skew towards intimate and familiar occasions
- High tempo occasions returning

CHANNEL

- On trade consumption rising as restrictions ease





OUR STRATEGY



Ambition

To create the best performing, most trusted and respected consumer products company in Africa

Strategic imperatives

Vibrant Beer

Explode Mainstream Spirits

Win in Premium

Shape New Frontiers

Key enablers

Aspirational and Accessible Innovations

Digital Transformation

Route to Consumer

Society 2030

Supply Footprint

Efficient Growth / Productivity

Unlock growth through People and Organisation

UPWEIGHTED MARKETING INVESTMENT AND FOCUSED COMMERCIAL EXECUTION

World class brand building



Digital transformation



Premiumisation



Winning across channels



Culturally present brands across categories and segments

Platforms, tools and analytics enhancing commercial execution

Portfolio pitched to help consumers drink better

Recover On trade whilst continue strengthening Off trade

VIBRANT INNOVATION PIPELINE DRIVING SUSTAINABLE GROWTH

Increased participation in Spirits



New launches fueling growth momentum in spirits

Expanded formats



Formats to recruit new consumers

Refreshed portfolio



Product extension unlocking new consumption occasions

STELLAR PERFORMANCE ACROSS OUR STRATEGIC IMPERATIVES

Vibrant beer



Explode mainstream spirits



Win in premium



Shape new frontiers

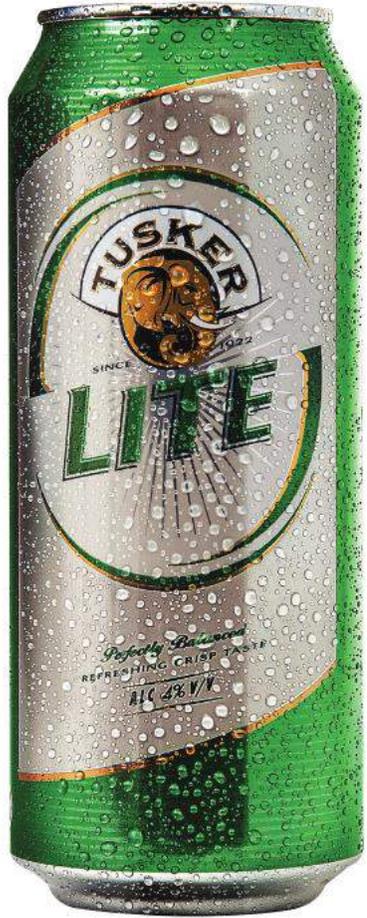


SOLID DOUBLE DIGIT GROWTH ACROSS ALL OUR MARKETS

NSV growth vs LY



Key brands



Kenya



Uganda



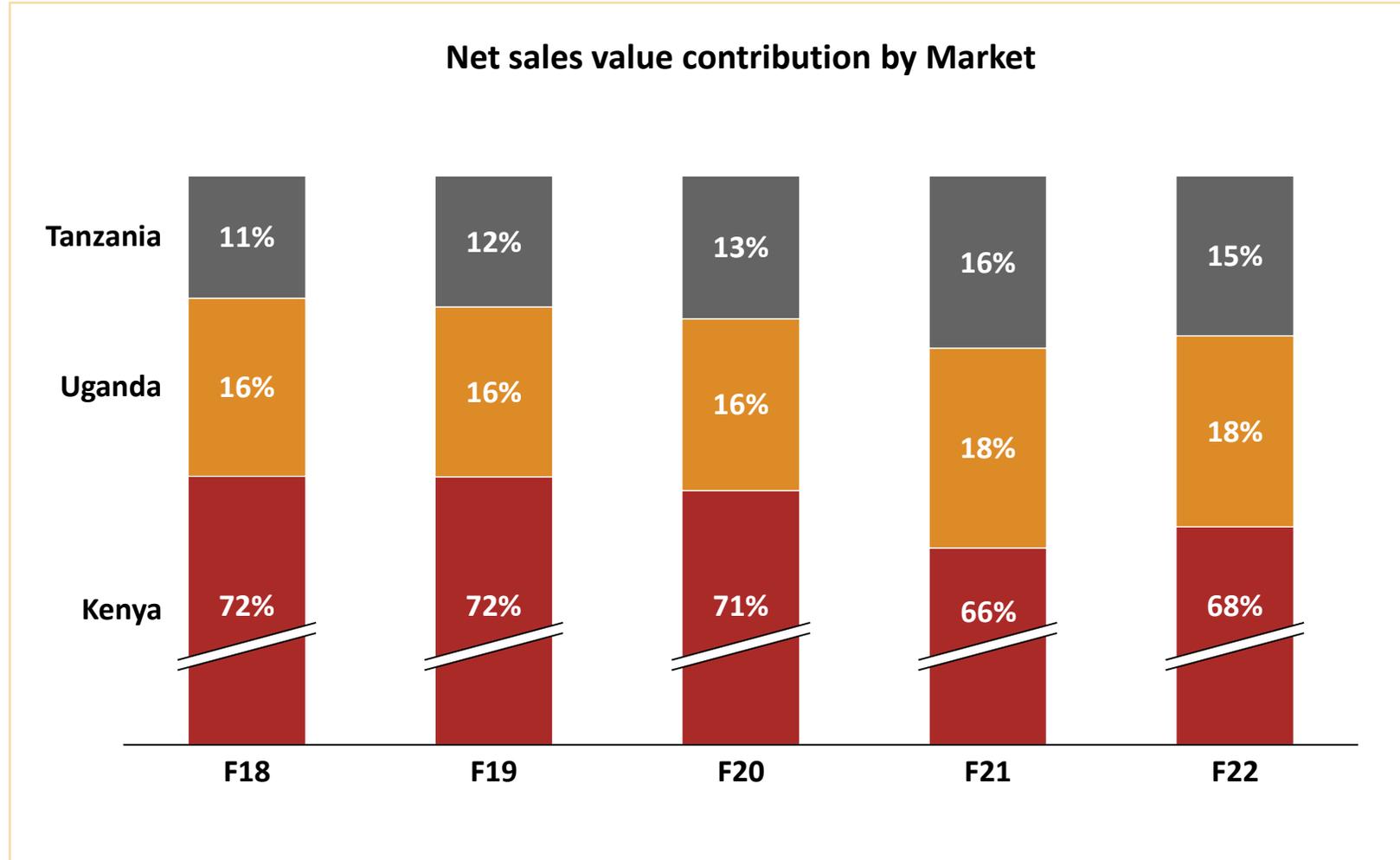
Tanzania

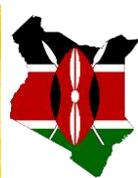
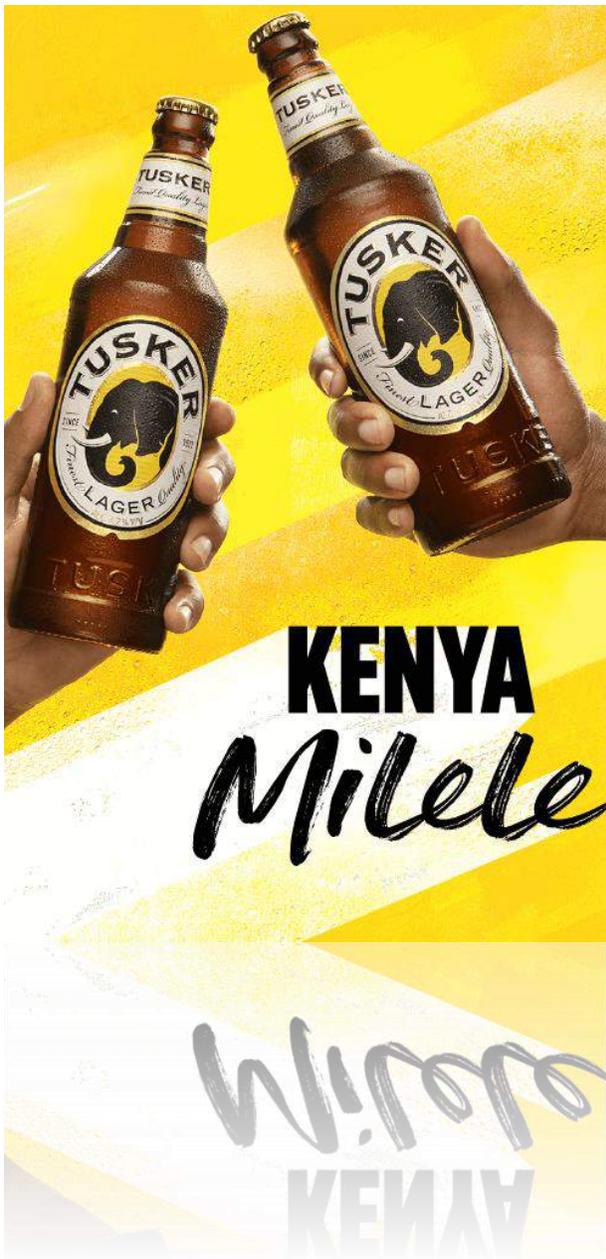


EABL



DIVERSIFIED GEOGRAPHIC MIX





STRONG RECOVERY



Mainstream Spirits
+25%



Senator
+49%



Bottled Beer
+17%



+27%

Premium Spirits
+20%



Total Spirits
+25%





SUSTAINED DOUBLE-DIGIT GROWTH



Mainstream Beer
+46%



Premium beer
+16%



Total Spirits
+13%



Scotch
+15%



+18%



CONTINUED GROWTH MOMENTUM



Mainstream Beer

+13%



Scotch

+43%



Guinness

+157%



+15%

Total Spirits

+52%



Net sales growth vs SPLY

STRATEGIC INVESTMENTS DRIVING GROWTH



Kisumu Brewery - Kenya



**KES
14.9bn**

Capacity Expansion – Moshi, Tanzania



**ongoing*

**KES
5.7 bn**

Capacity Expansion – Uganda

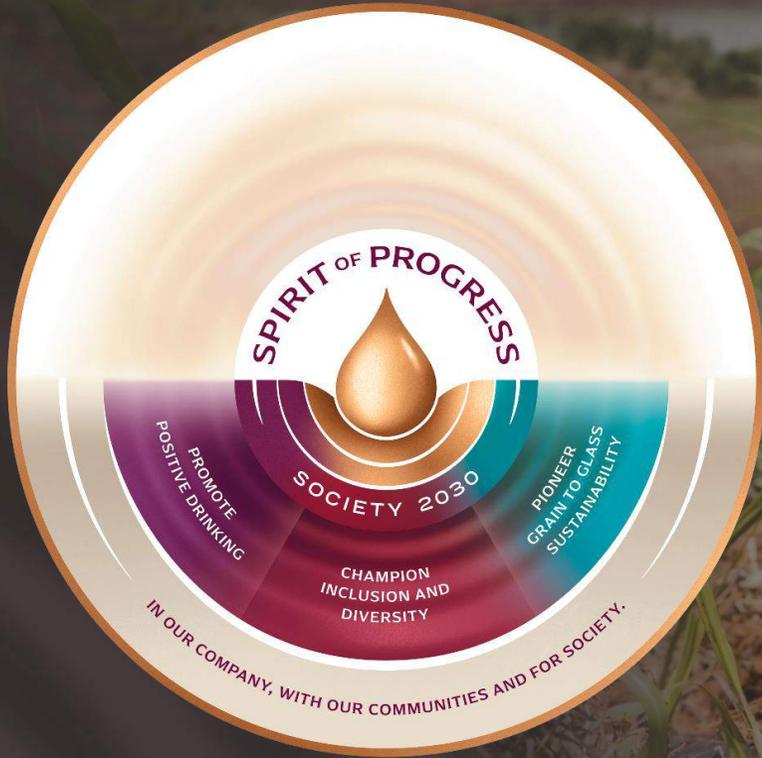


**KES
3.7bn**

Spirits Cube – Tanzania



**KES
0.7bn**



SOCIETY 2030: SPIRIT OF PROGRESS

DELIVERING ON OUR SOCIETY 2030 GOALS



- DRINKiQ visits increased from 10,921 in 2021 to 74,220 in H1
- Reached >13m with messages of moderation



- SBL all women Cube line
- 18% senior leadership roles are women, +4% from LY
- Women make up 65% of our community training programmes, +11% vs LY

DOING BUSINESS THE RIGHT WAY, FROM GRAIN TO GLASS



- Replenished & reused a total of 144,294m³
- Over 36k beneficiaries of our water projects reached, +18% vs F21



- Biomass expected to deliver 42kt reduction
- Reduced water used per packaged product
- 91.5% of renewable electricity utilized across our direct operations, +10% vs LY



- UBL new Returnable Glass Bottle Line, resourced by 75% females.

KES 0.6BN INVESTED TOWARDS OUR SOCIETY 2030 PILLARS SO FAR

COMMUNITY SUPPORT



- Over 100 Kilimo Viwanda Agro-Scholarships in TZ
- 1,142 trained in Learning for Life program across EABL



- UBL Sanitation block donation to the Nnabagereka Foundation.
- KBL Ablution block at Jangwani informal settlements.



- 24,340 women enrolled in community programmes (skills and WASH).

COMMUNITY SUPPORT



- RTB launched across East Africa.
- Launched in Dar on 30th June 2021.



Yoweri K Museveni @Kagut... · 44m ·
I would like to thank the private sector, led by Uganda Breweries Limited, Safe Boda, NICE-UG, Coca-Cola, Vision Group, NBS, and others for contributing to our national vaccination effort. Our combined efforts have led to a steady increase in vaccination uptake in the country.



KARIBU TO RAISING THE BAR WITH TUSKER

- AMREF Partnership + Training across outlets in Kenya

- **Kenya** - **12,991** people vaccinated at host locations across 5 counties: Nairobi, Kisumu, Mombasa, Nakuru and Naivasha.
- **Uganda** - vaccinated **90,000 people from the UBL led venues.**

INVESTING IN OUR PEOPLE

Talent



- Gender representation (31% female)
- Strong succession pipeline
- Reward & Recognition

Engagement



- Cross functional mindset driving collaboration
- Employee resource groups - Spirited women, Legends

Learning



- Functional training programs
- Continuous learning via My Learning Hub

31 AWARDS ACROSS THE BUSINES



x3



x4



x6



x3



x6



x1



x3



x1



x1



x3

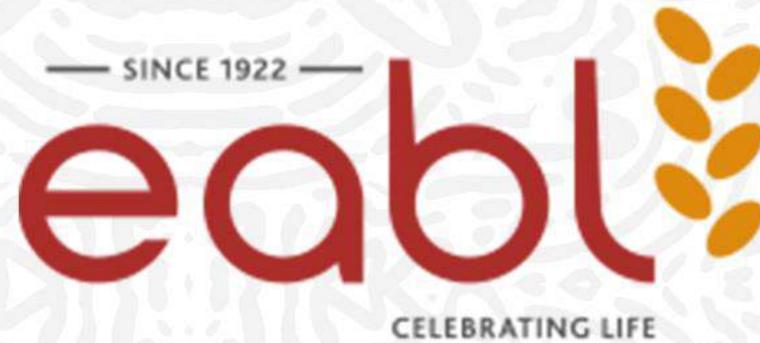


Thank You

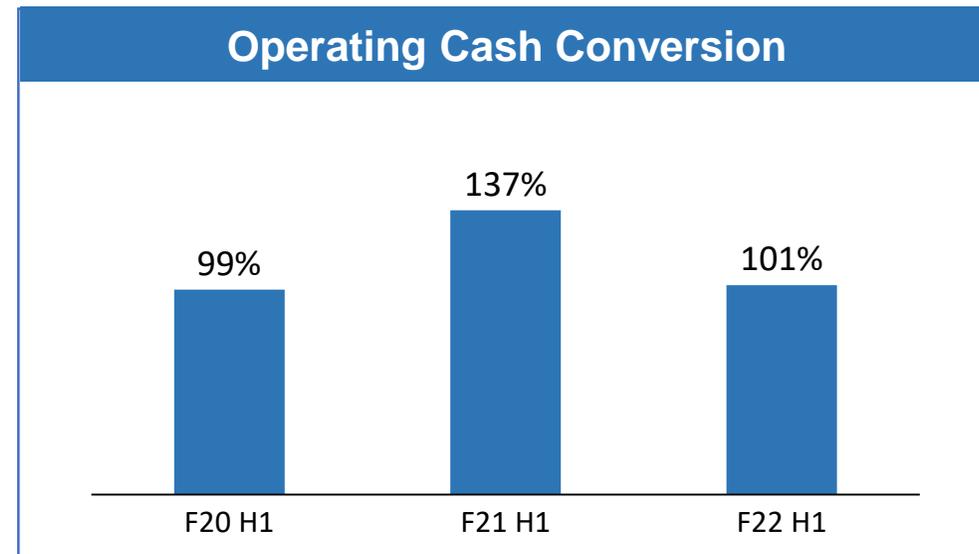
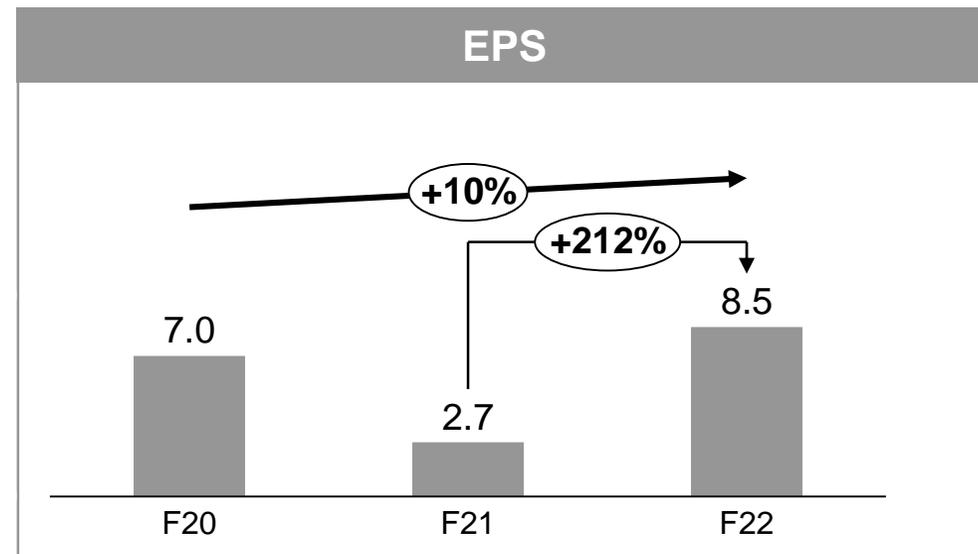
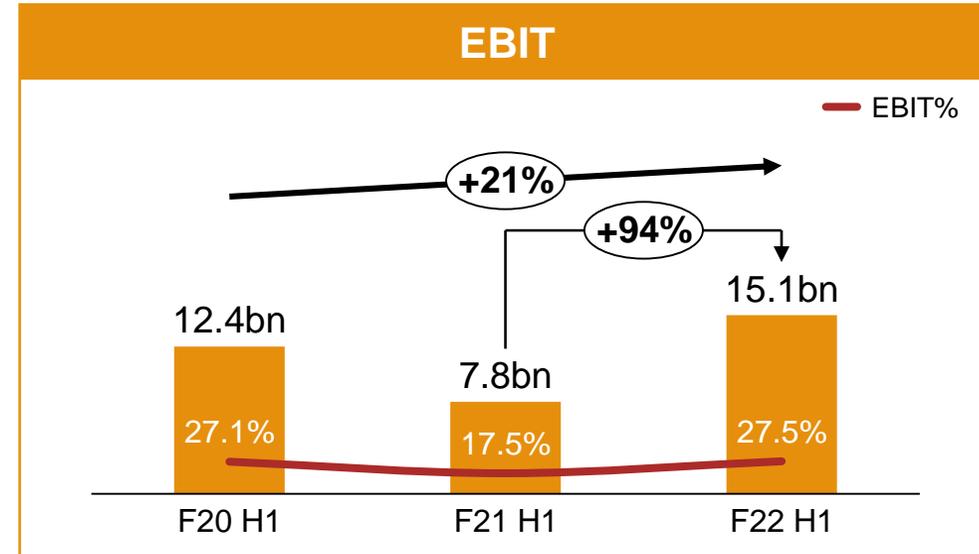
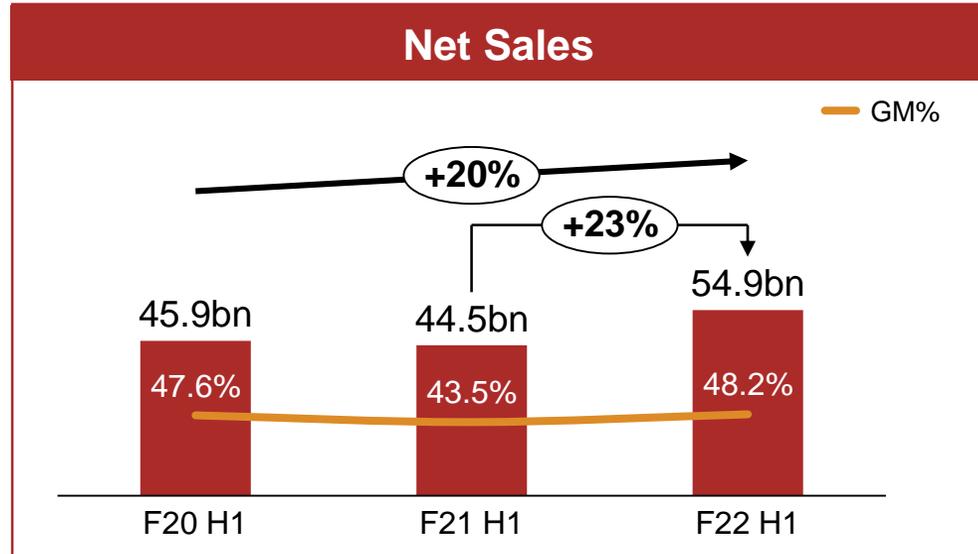
Please hold questions to the end

F22 H1 FINANCIAL PERFORMANCE

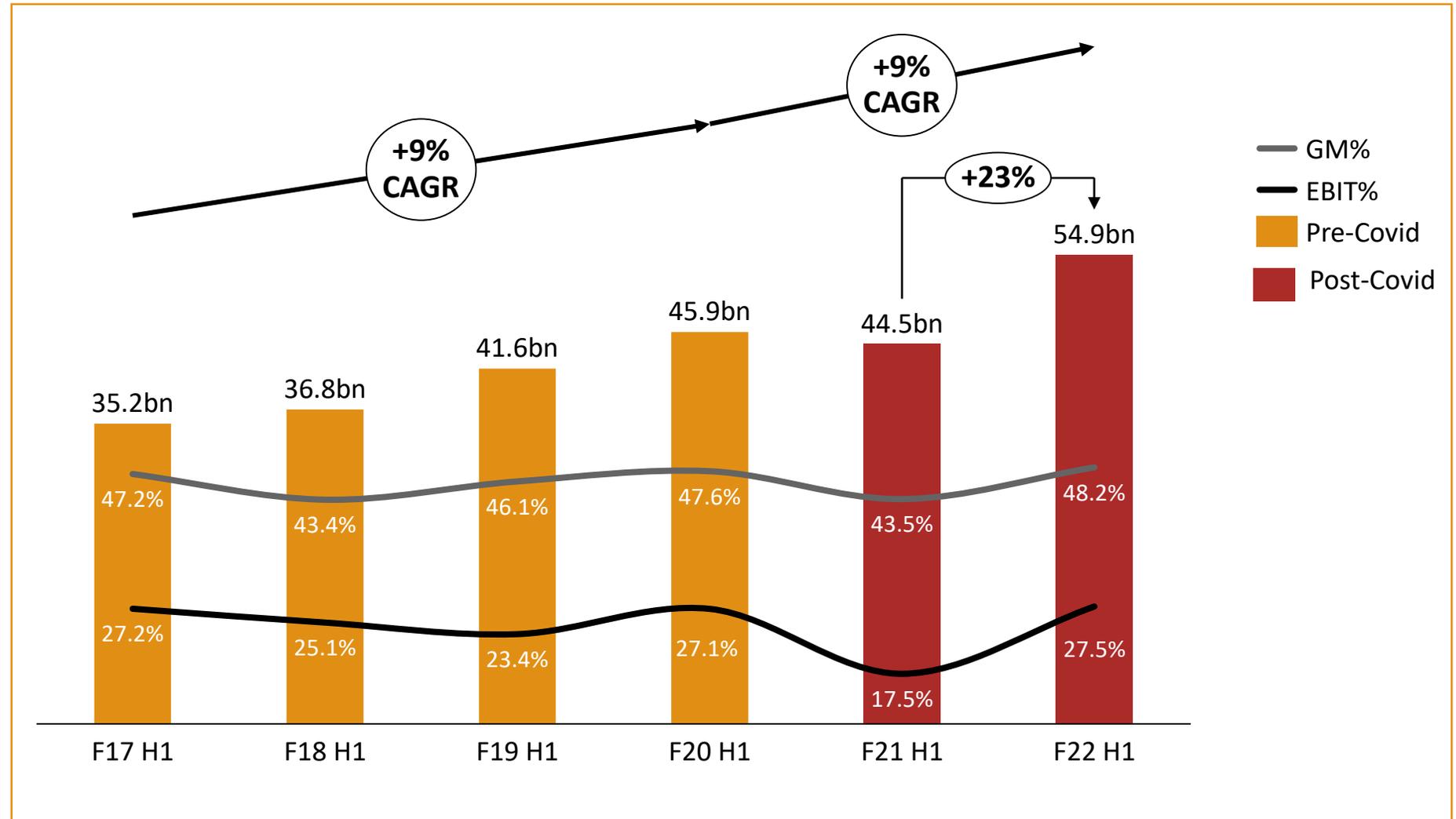
- EABL Overview
 - Key Financial Performance Metrics
 - Working Capital
 - Capex
-



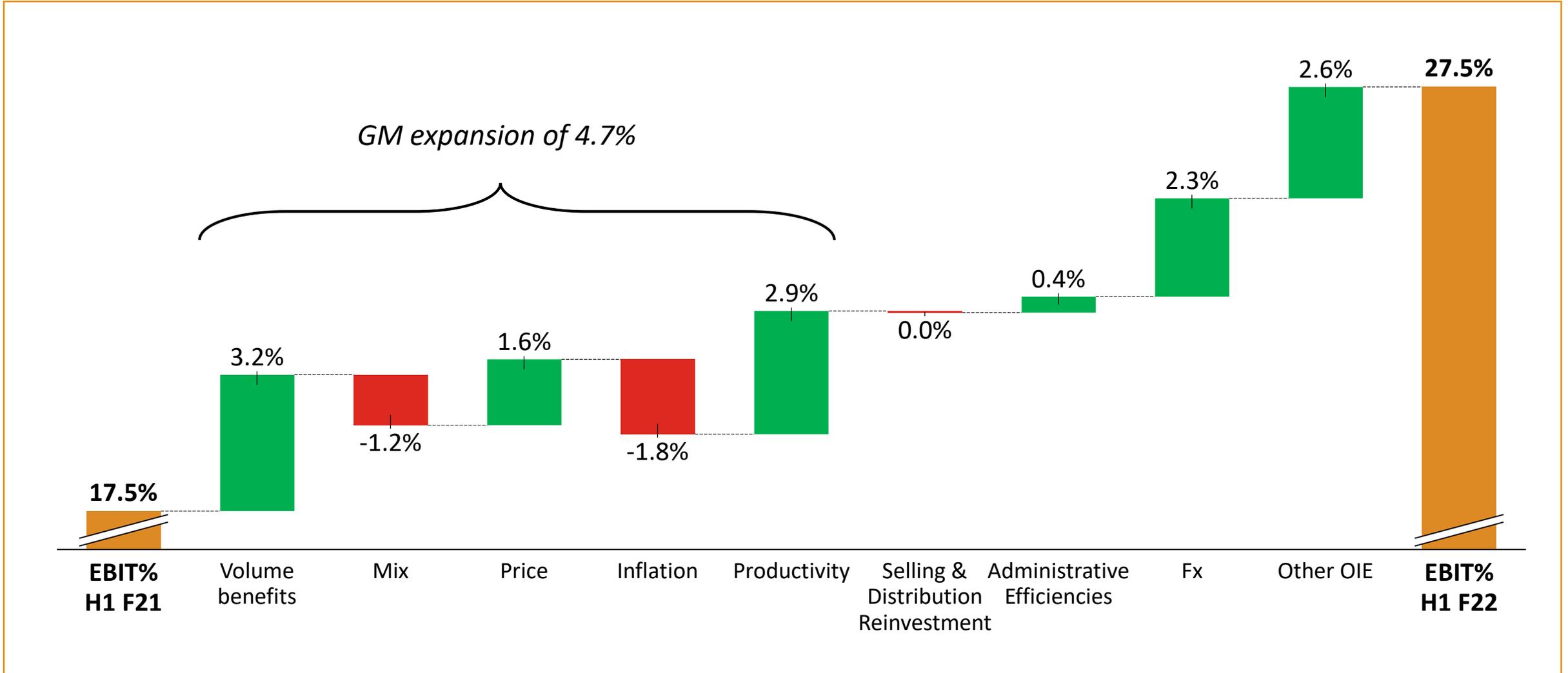
BEST PERFORMANCE IN OVER FIVE YEARS



BACK ON TRACK



SUSTAINABLE MARGIN EXPANSION

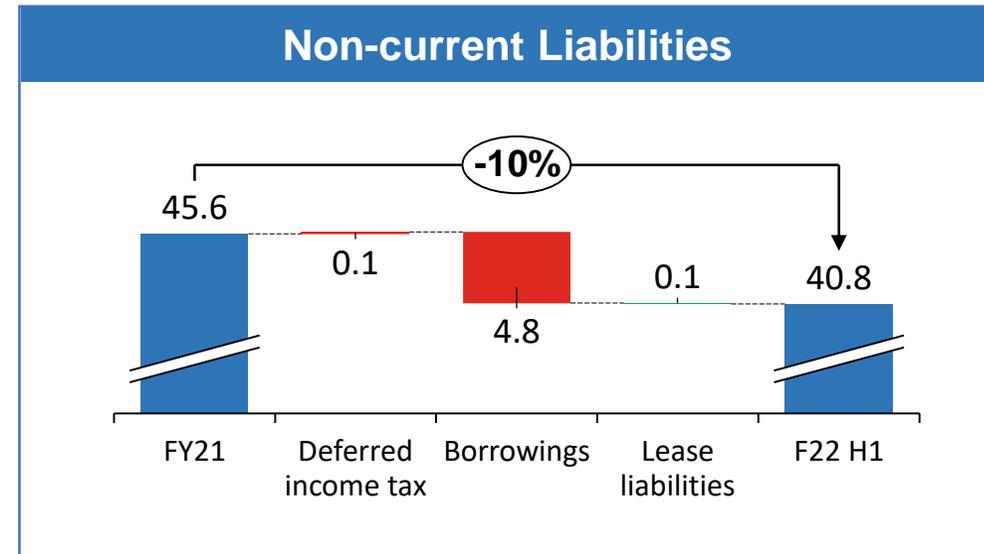
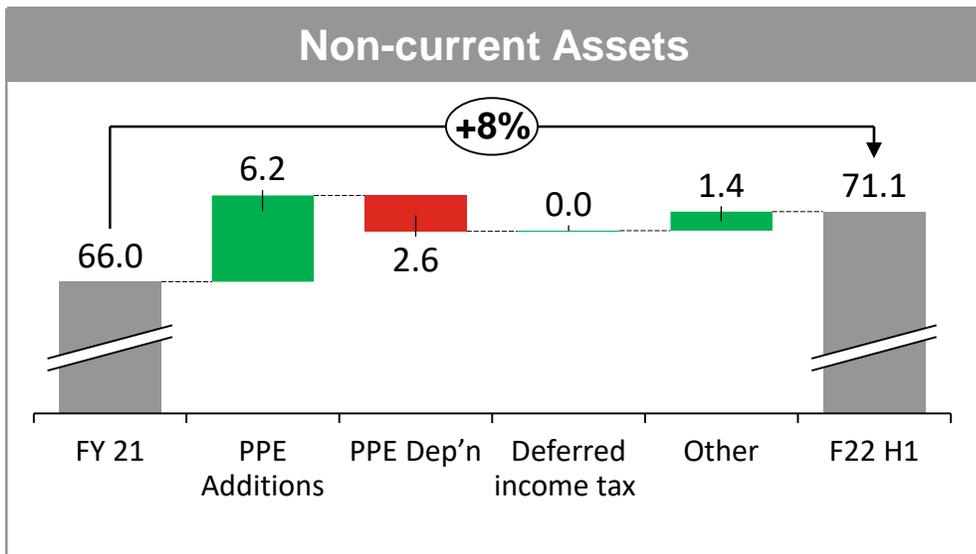
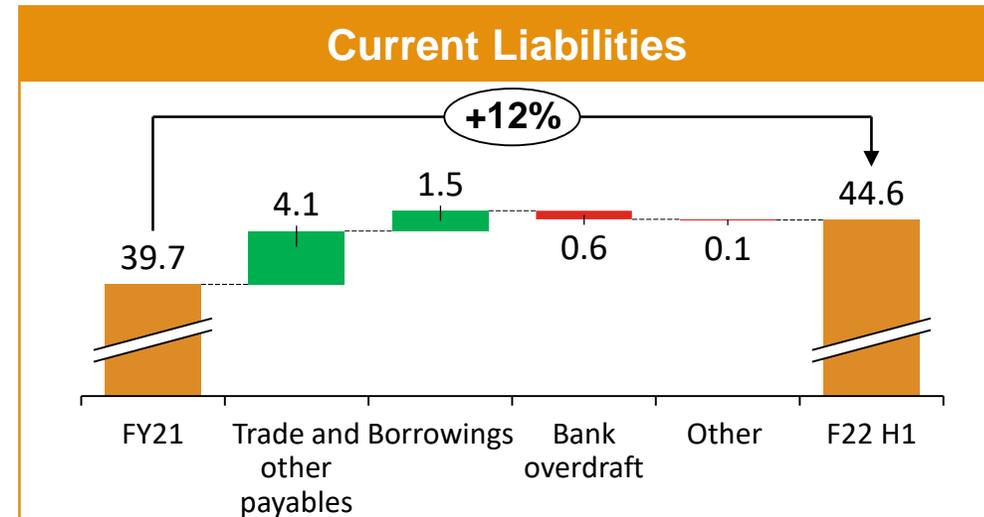
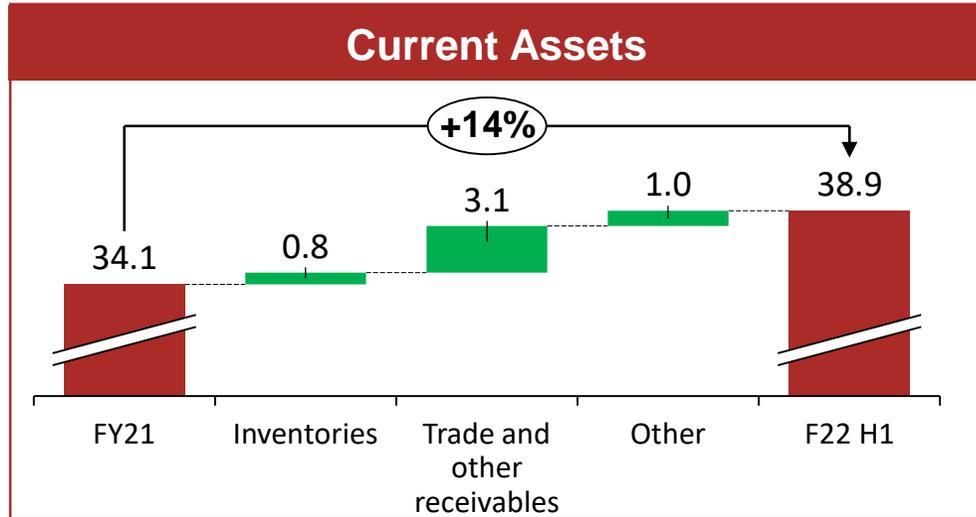


PROFITS GROWING AHEAD OF REVENUES

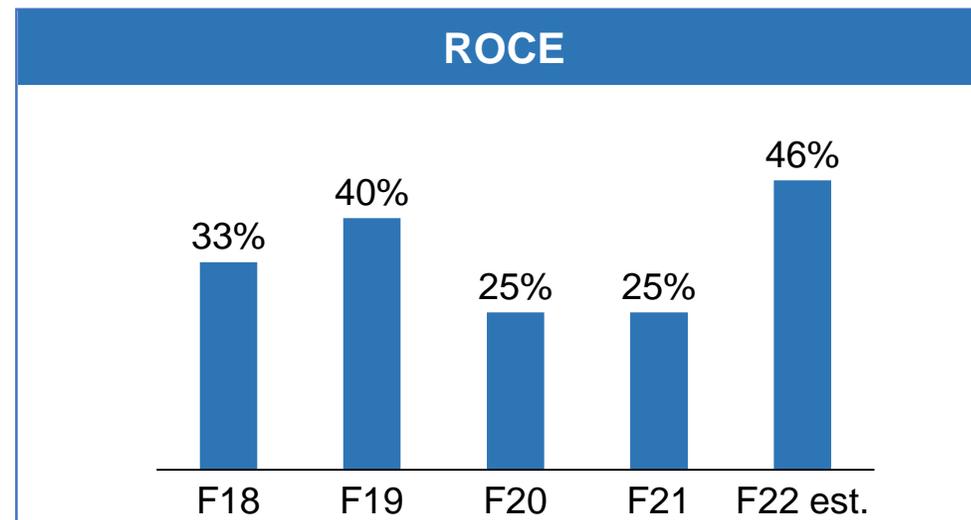
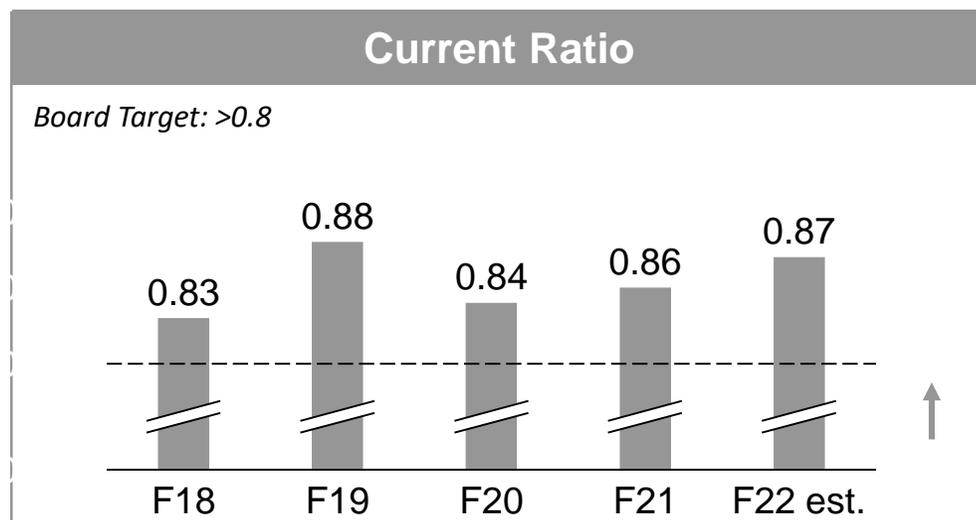
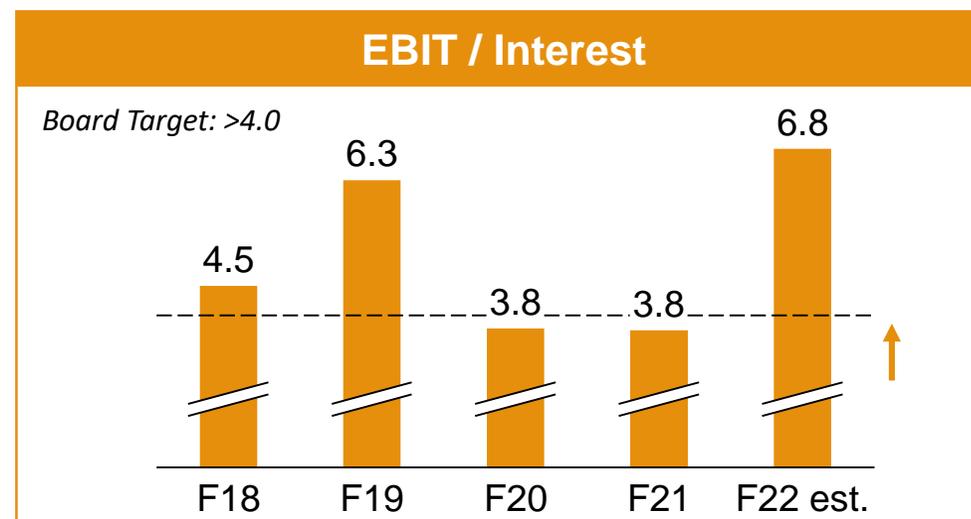
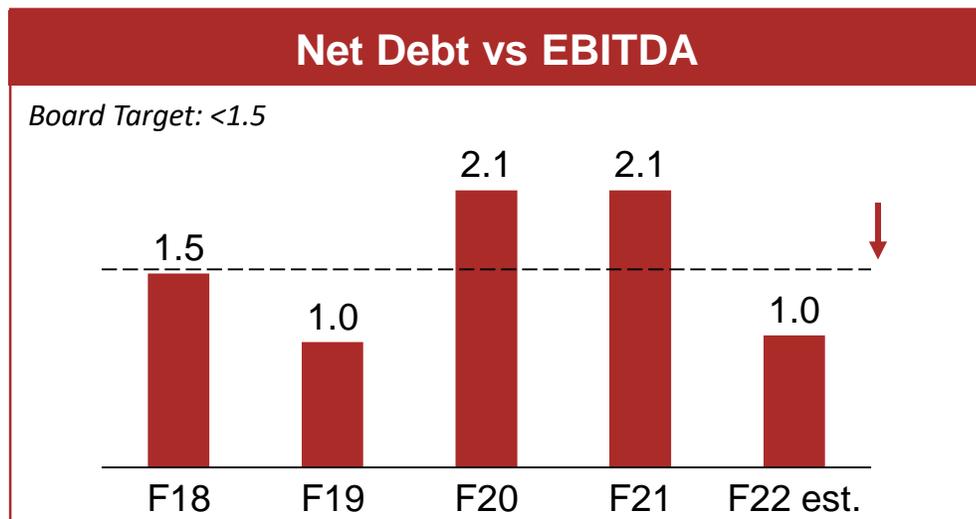
Kes bn	F22 H1	F21 H1	vs F21
Net Sales	54.9	44.5	23% ↑
Cost of Sales	(28.4)	(25.1)	13%
Gross Profit	26.5	19.3	37% ↑
Expenses	(11.4)	(11.6)	(2%)
EBIT	15.1	7.8	94% ↑
Net Finance Cost	(2.2)	(1.9)	15%
Profit Before Tax	12.9	5.8	121% ↑
Income Tax	(4.1)	(2.0)	103%
Profit After Tax	8.7	3.8	131% ↑



STRONG BALANCE SHEET

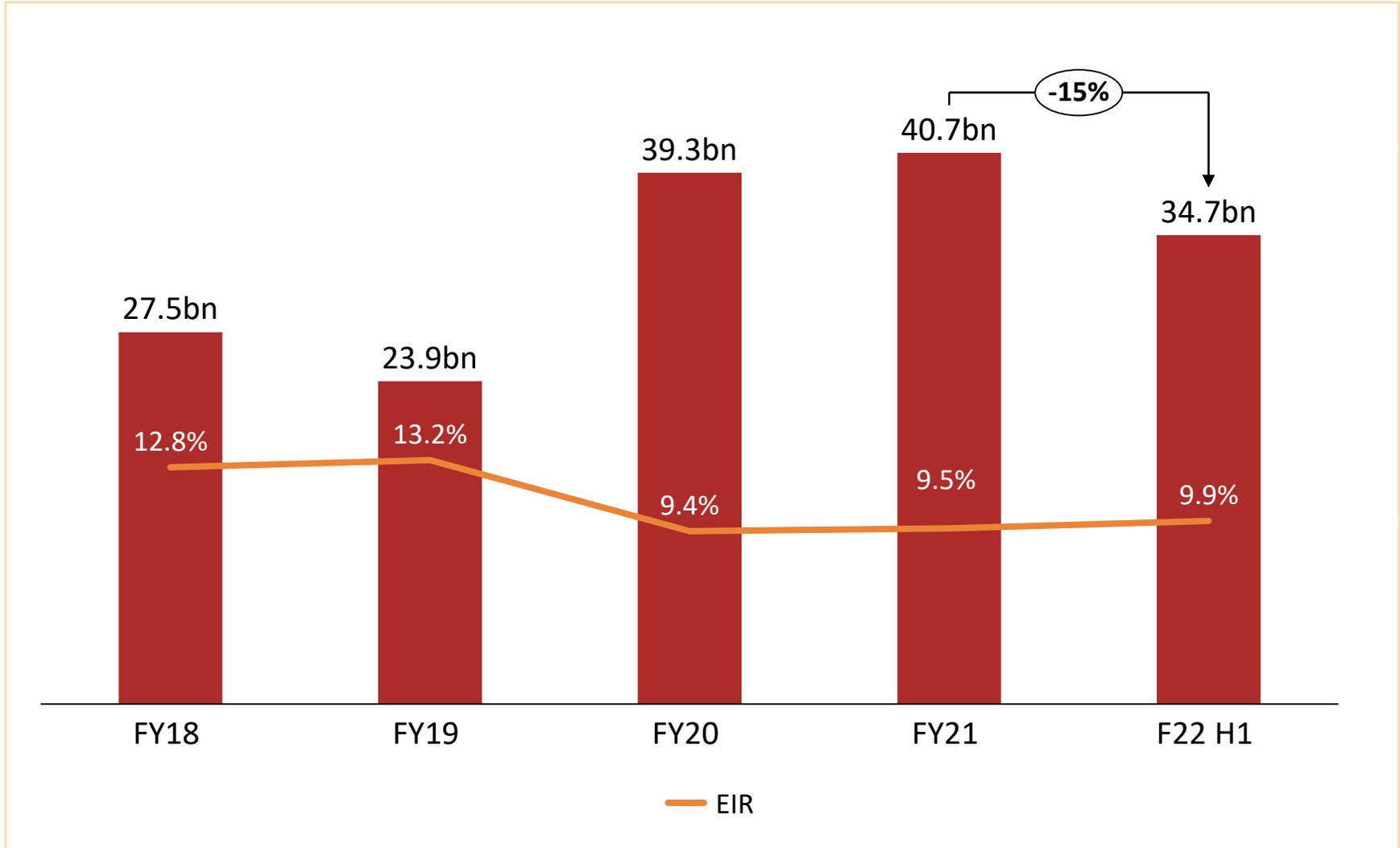


STRONG KEY RATIOS



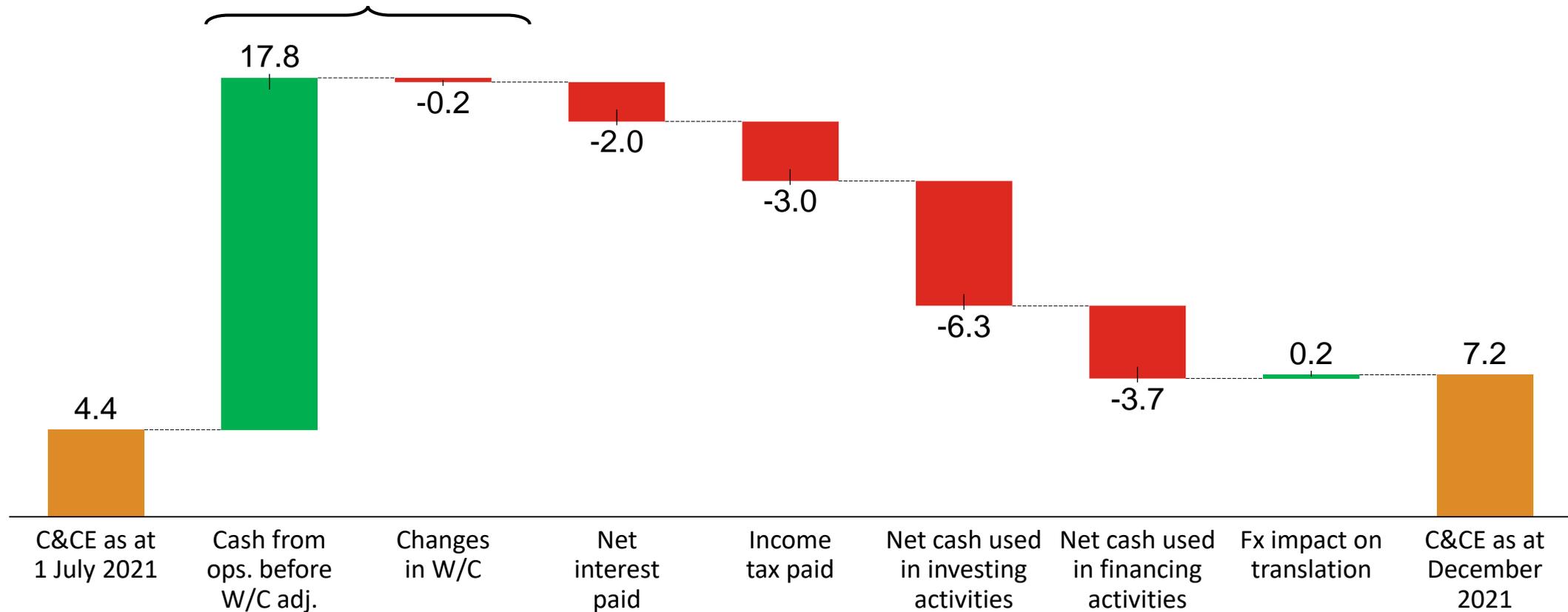


REDUCED LEVERAGE



STRONG CASH FLOW GENERATION

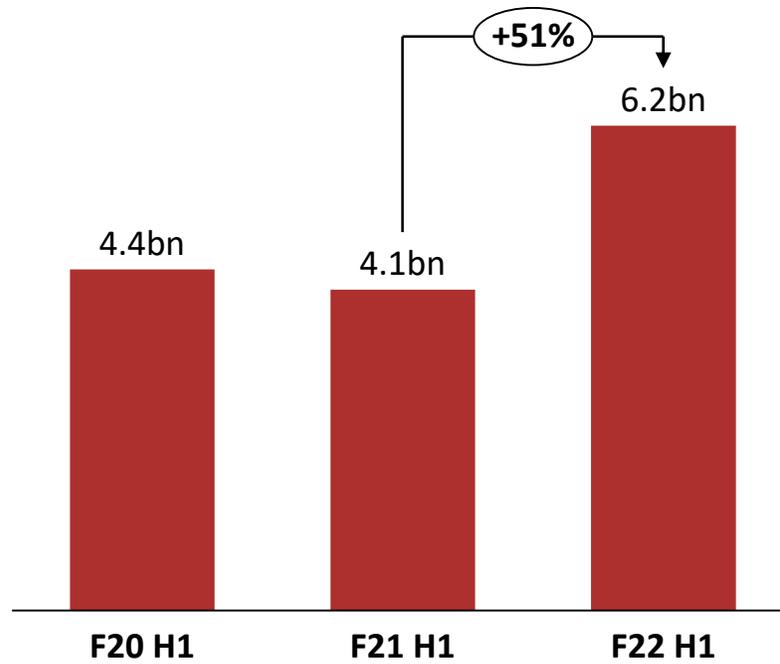
Net cash generated from operations = Kes 17.6bn



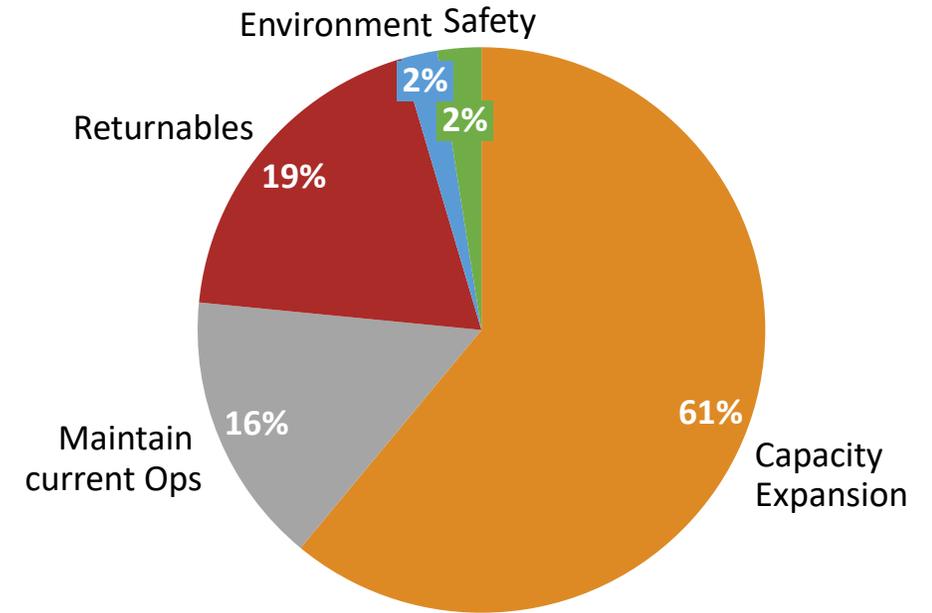


INVESTING AHEAD

Total capex spend

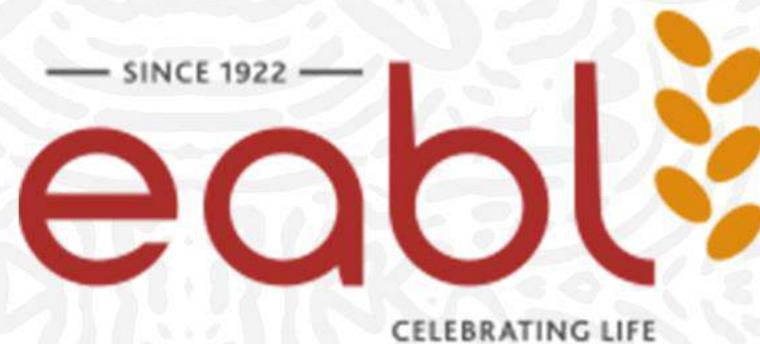


Capex spend by category



LOOKING AHEAD

- Centenary
 - F22 H2 Priorities
-



F22 H2 PRIORITIES



- Growth

- Margins

- Cost Efficiency

- Society 2030

- People

Q&A SESSION

Cheers
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100
years



Cautionary statement concerning forward-looking statements

This document contains 'forward-looking' statements. These statements can be identified by the fact that they do not relate only to historical or current facts. In particular, forward-looking statements include all statements that express forecasts, expectations, plans, outlook, objectives and projections with respect to future matters, including trends in results of operations, margins, growth rates, overall market trends, the impact of changes in interest or exchange rates, the availability or cost of financing to EABL, anticipated cost savings or synergies, expected investments, the completion of any strategic transactions and restructuring programmes, anticipated tax rates, changes in the international tax environment, expected cash payments, outcomes of litigation or regulatory enquiries, anticipated changes in the value of assets and liabilities related to pension schemes and general economic conditions. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including factors that are outside EABL's control.

Factors that could cause actual results and developments to differ materially from those expressed or implied by forward-looking statements include, but are not limited to:

- economic, political, social or other developments in countries and markets in which EABL operates, which may contribute to a reduction in demand for EABL's products, adverse impacts on EABL's customer, supplier and/or financial counterparties, or the imposition of import, investment or currency restrictions (including the potential impact of any global, regional or local trade disputes or any tariffs, duties or other restrictions or barriers imposed on the import or export of goods between territories);
- changes in consumer preferences and tastes, including as a result of changes in demographics, evolving social trends (including any shifts in consumer tastes towards small-batch craft alcohol, low or no alcohol, or other alternative products), changes in travel, vacation or leisure activity patterns, weather conditions, health concerns, pandemics and/or a downturn in economic conditions;
- any litigation or other similar proceedings (including with tax, customs, competition, environmental, anti-corruption or other regulatory authorities), including litigation directed at the beverage alcohol industry generally or at EABL in particular;
- changes in the domestic and international tax environment, leading to uncertainty around the application of existing and new tax laws and unexpected tax exposures;
- the effects of climate change, or legal, regulatory or market measures intended to address climate change, on EABL's business or operations, including on the cost and supply of water;
- changes in the cost of production, including as a result of increases in the cost of commodities, labour and/or energy or as a result of inflation;
- legal and regulatory developments, including changes in regulations relating to production, distribution, importation, marketing, advertising, sales, pricing, labelling, packaging, product liability, antitrust, labour, compliance and control systems, environmental issues and/or data privacy;
- the consequences of any failure by EABL or its associates to comply with anti-corruption, sanctions, trade restrictions or similar laws and regulations, or any failure of EABL's related internal policies and procedures to comply with applicable law or regulation;
- the consequences of any failure of internal controls, including those affecting compliance with existing or new accounting and/or disclosure requirements;
- EABL's ability to maintain its brand image and corporate reputation or to adapt to a changing media environment;
- contamination, counterfeiting or other circumstances which could harm the level of customer support for EABL's brands and adversely impact its sales;
- increased competitive product and pricing pressures, including as a result of actions by increasingly consolidated competitors or increased competition from regional and local companies, that could negatively impact EABL's market share, distribution network, costs and/or pricing;
- any disruption to production facilities, business service centres or information systems, including as a result of cyber-attacks;
- increased costs for, as well as shortages of, talent, as well as labour strikes or disputes;
- EABL's ability to derive the expected benefits from its business strategies, including in relation to expansion in emerging markets, acquisitions and/or disposals, cost savings and productivity initiatives or inventory forecasting;
- fluctuations in exchange rates and/or interest rates, which may impact the value of transactions and assets denominated in other currencies, increase EABL's cost of financing or otherwise adversely affect EABL's financial results;
- EABL's ability to renew supply, distribution, manufacturing or licence agreements (or related rights) and licences on favourable terms, or at all, when they expire; or
- any failure by EABL to protect its intellectual property rights.

Other Information

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— SINCE 1922 —

eabbl



CELEBRATING LIFE