

East African Breweries Limited (EABL)



PUBLIC ANNOUNCEMENT

Intra-group transfer of EABL shares from Diageo Holdings Netherlands B.V. and Guinness Overseas Limited to Diageo Kenya Limited

Issued under Section 61(2) of the Capital Markets (Licensing Requirements) (General) Regulations, 2002

Diageo plc is a multinational alcoholic beverages company, listed on the London and New York stock exchanges with its headquarters in London, England and with subsidiaries and businesses across the globe. Diageo plc indirectly holds 395,608,434 ordinary shares in EABL representing 50.03% of the issued ordinary shares in EABL, in aggregate. Diageo plc holds its stake through three indirectly held wholly-owned subsidiaries, namely: (a) Diageo Kenya Limited, which directly holds 338,618,340 EABL shares (42.82%); (b) Guinness Overseas Limited, which directly holds 20,628,804 EABL shares (2.61%); and (c) Diageo Holdings Netherlands B.V., which directly holds 36,361,290 EABL shares (4.6%).

As part of a wider internal group reorganization, Diageo plc intends to simplify its indirect holding structure of EABL shares by consolidating those EABL shareholdings described above into a single indirectly wholly-owned Kenyan subsidiary company, Diageo Kenya Limited. This will be achieved by each of Guinness Overseas Limited and Diageo Holdings Netherlands B.V. transferring the shares they hold in EABL to Diageo Kenya Limited.

Consequently, Diageo plc will remain the ultimate beneficial owner of the entire 50.03% stake in EABL and the proposed transaction will have no impact on any other shareholder in EABL. Diageo Kenya Limited confirms that it will not be making a take-over offer for the remaining shares of EABL and Diageo plc confirms that it has no intention to do so as part of the proposed reorganization. The proposed transaction will not have any impact on the management or board of EABL as constituted and is not expected to impact on the business, operations or finances of EABL.

The Capital Markets Authority has granted its approval of (1) the transfers pursuant to the provisions of section 57(e) of the Capital Markets (Licensing Requirements) (General) Regulations, 2002, and (2) a circular that will be issued to EABL's shareholders.

It is anticipated that the transfer of EABL shares described above will be completed within two weeks of the date of this announcement.

By Order of the Board
23rd July 2020