

PRESS RELEASE

EABL's agility delivers robust performance as half-year profit grows 131%

- **Group net sales grew 23% to Kshs 54.9 billion, realised through strong organic growth across East Africa**
- **Profit after tax improved by 131% to Kshs 8.7 billion, driven by margin expansion, prudent cost management, and volume recovery mainly in Kenya**
- **Cash and cash equivalents up 185% to Kshs 7.2 billion, driven by increased net sales and robust working capital management**
- **Capital investment 51% above last year to Kshs 6.2 billion, as EABL invested ahead to support future growth**
- **Recommended interim dividend of Kshs 3.75 per share; nil dividends for the same period last year**

Nairobi, Kenya: January 27, 2022: East African Breweries PLC (EABL) has reported Kshs 54.9 billion in net sales for the half-year ended 31 December 2021, representing a 23% growth compared to the same period last year.

Volumes grew strongly at 23%, driven by investment behind brands and innovation in the route to market in response to consumer behaviour shifts. Additionally, the continued investment in capacity of Shs 6.2 billion enabled EABL to rapidly respond to the increased consumer demand.

Consequently, the Group's profit after tax grew 131% to Kshs 8.7 billion, primarily driven by the higher net sales, margin expansion, robust cost management and the re-opening of bars in Kenya in the second quarter. EABL has reported the best interim profit after tax in the last 5 years.

EABL Managing Director Jane Karuku said: *"During this pandemic, our strategic clarity enabled us to maintain focus on brand-building, active portfolio management, consumer-led innovation, and digital transformation, all executed through extra-ordinary efforts and resilience of our people."*

Markets Sales Highlights for the Half-year:

- **Kenya:** Net sales increased 27% primarily due to accelerated strategic investment behind brands and channels. The re-opening of bars in the second quarter further improved the net sales growth.
- **Uganda:** Net sales grew 18% driven by the market's agile response to the shifting consumer trends as well as strategic pricing decisions. Uganda's innovative channel delivery model ensured outstanding last-mile success, guaranteeing growth.
- **Tanzania:** Net sales grew 15%, with beer and spirits registering double-digit growth. Growth momentum continued through increased strategic investment behind brands and innovations.

Commenting on EABL's Environmental, Social and Governance (ESG) agenda, Mrs. Karuku said: *"We continue to focus on Spirit of Progress, our 10-year sustainability programme. This is a three-pronged agenda aimed at promoting positive drinking, championing diversity and inclusion and pioneering grain to glass sustainability across our value chain."*

Our regional effort to support the hospitality sector through the pandemic has gathered pace, with 60% of the Raise the Bar fund (Kshs 570 million) already spent. This fund is enabling physical and digital support to bars welcoming customers back after lockdowns. EABL has also complemented government efforts across the region in driving national programmes to combat the impact of COVID-19, vaccinating our employees, their families, and consumers."

Looking into the future, Mrs. Karuku added: *“The trading environment remains uncertain with the lingering socio-economic impact of the pandemic, excise tax volatility, and the upcoming electioneering period in Kenya. However, we are cautiously optimistic that the regional economies will continue on the recovery path, sustaining growth momentum across East Africa.”*

The Board has recommended an interim dividend of Kshs 3.75 per share. This reflects EABL’s strong performance and confidence in the long-term growth and sustainability of our business.

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About East African Breweries Limited (EABL)

East African Breweries Limited (EABL) is a regional leader in beverage alcohol with an exceptional collection of brands across beer and spirits. Although our business is concentrated on three core markets of Kenya, Uganda and Tanzania, our products are sold in more than 10 countries across Africa and beyond.

Our brands are an outstanding combination of local jewels and international premium spirits. These include among others Tusker, Guinness, Bell Lager, Serengeti Lager, Kenya Cane, Chrome Vodka, Johnnie Walker, Captain Morgan and Smirnoff.

Our performance ambition is to be one of the best performing, most trusted and respected consumer products companies in Africa. We are proud of the brands we make and the enjoyment they give to millions. We are passionate about alcohol playing a positive role in society as part of a balanced lifestyle.