

EAST AFRICAN BREWERIES PLC

(Incorporated in the Republic of Kenya, Company No. 5/34))

The Capital Markets and Securities Act

(Chapter 79 of the Laws of Tanzania)

Regulation 9 of the Capital Markets and Securities (Substantial Acquisitions Takeovers and Mergers) 2006

PROPOSED INDIRECT ACQUISITION BY ASAHI GROUP HOLDINGS, LTD. OF 65% OF THE SHARES IN EAST AFRICAN BREWERIES PLC AND 53.68% OF THE SHARES IN UDV (KENYA) LIMITED

Background

The shareholders of East African Breweries PLC (**EABL**) are advised that EABL received a notice of intention dated 17th December 2025 (**Notice**) from Asahi Group Holdings, Ltd. (**Asahi**), informing EABL (amongst other matters) that:

- Asahi has entered into a conditional share purchase agreement (**DKL SPA**) with Diageo Holdings Netherlands B.V. (**Diageo B.V.**), under which Asahi will acquire 20,525,882 ordinary shares of KES 10 each in Diageo Kenya Limited (**DKL**), constituting 100% of DKL's issued share capital (the **Transaction**);
- by agreeing to acquire DKL, Asahi will indirectly acquire 65% of EABL's share capital upon completion of the Transaction;
- Asahi does not intend to make a takeover offer for the 35% of EABL's share capital held by general public shareholders (**General Shares**), and
- Asahi intends to maintain EABL's listing on the Nairobi Securities Exchange, and its cross-listings on the Dar es Salaam Stock Exchange and the Uganda Securities Exchange.

Details of the Transaction

With the acquisition of DKL, Asahi would become the majority shareholder of EABL. Asahi is a global beverage and food conglomerate headquartered in Tokyo, Japan. Asahi is listed on the Tokyo Stock Exchange (TSE) (as of 16 December 2025) and has a current market capitalization of c. JPY 2.6tn (c.

USD 17.0bn). Asahi also had a reported revenue of c. JPY 2,939bn (c. USD 19bn) in 2024, underscoring its scale and stability. Outside of its domestic Japanese market, Asahi markets its products across the globe in regions including Asia, Oceania, Europe and North America, offering a diverse portfolio of beer, alcoholic and non-alcoholic beverages, and food products. The Transaction marks Asahi's first significant investment in Africa and will serve as the cornerstone of Asahi's growth in the region.

As part of the Transaction, Asahi has also entered into a share purchase agreement (**UDVK SPA**) with Diageo Great Britain Limited, under which Asahi has agreed to acquire Diageo Great Britain Limited's 53.68% shareholding (**UDVK Shares**) in UDV (Kenya) Limited (**UDVK**), which produces and imports spirits. EABL owns the other 46.32% of UDVK. Both Diageo B.V. and Diageo Great Britain Limited are wholly owned subsidiaries of Diageo plc (**Diageo**).

Asahi Europe & International Ltd (a wholly owned subsidiary of Asahi) (**AEI**) is also a party to both the DKL SPA and UDVK SPA. Under the DKL SPA and UDVK SPA, Asahi has the right to designate AEI as holder of the shares in DKL and the UDVK Shares under the respective share purchase agreements.

Completion of the Transaction is subject to regulatory approvals in Kenya, Tanzania and Uganda.

Following completion, with the support of Asahi, EABL locally owned brands will remain owned by EABL (e.g. Tusker and Kenya Cane). There will be refreshed

agreements for EABL to produce certain Diageo spirits (e.g. Smirnoff and Captain Morgan) and Ready-to-drink brands (e.g. Smirnoff Ice and Orijin), as well as the iconic Guinness brand under licence and the import and distribution of Diageo international premium spirits. Existing stakeholder relationships and business arrangements are not expected to change.

Notice of Intention

Asahi has confirmed that it does **not** intend to make a takeover offer for the General Shares and intends to maintain EABL's listing on the Nairobi Securities Exchange, and its cross-listings on the Dar es Salaam Stock Exchange and Uganda Securities Exchange. Accordingly, Asahi has applied to the relevant Capital Markets Authorities in Kenya and Uganda and the Capital Markets and Securities Authority of Tanzania for an exemption from making a full takeover offer.

Cautionary Notice

EABL shareholders, investors and the public are advised to exercise caution when dealing in EABL securities until further notice.

On behalf of the Board of Directors

Angela Namwakira

Company Secretary

Thursday, 18th December 2025