

# East African Breweries PLC

## RESULTS FOR THE HALF-YEAR ENDED 31<sup>ST</sup> DECEMBER 2024 (UNAUDITED)



The Board of Directors of East African Breweries PLC (EABL) is pleased to announce its unaudited results for the half-year ended 31<sup>st</sup> December 2024.

Net Sales  
**Kshs 67.9 bn**  
+2% vs LY

Profit After Tax  
**Kshs 8.1 bn**  
+20% vs LY

Interim Dividend Per Share  
**Kshs 2.50**



During the period under review, we observed easing inflation, declining interest rates and currency appreciation in certain markets, which fostered improved business conditions. However, challenges persisted, including reduced disposable income, and rising input costs, which continued to impact the business environment.

In light of this, we posted net revenue of Kshs 67.9 billion reflecting a 2% increase compared to the same period last year, while Profit After Tax grew by 20% reaching Kshs 8.1 billion.

On the back of this performance, the Board of Directors recommends an interim dividend of Kshs 2.50 per share subject to withholding tax.

We will continue leveraging our strengths while navigating the evolving landscape with agility and determination.

**Dr. Martin Oduor-Otieno, CBS – Group Chairman**



Our strong performance this half year, delivering revenue and profit growth, underscores the strong fundamentals and agility of our business.

We continued to take the actions needed to ensure the business is well-positioned for sustainable long-term growth. Our sustained investment in our iconic portfolio, and elevated commercial execution helped capture consumer opportunities. Our accelerated productivity agenda further cushioned the impact of input cost inflation.

We progressed against our long-term Environmental, Social and Governance (ESG) goals, and are making the right investments to grow our people and embed our culture code.

As we reflect on the advancement we have made in the first half of the year, I want to thank the Board, our teams and stakeholders for their contribution and commitment.

Looking ahead, we remain committed to executing our strategy and are clear on our priorities to continue our momentum into the second half.

**Ms. Jane Karuku, MGH – Group MD & CEO**

### Condensed consolidated statement of comprehensive income for the half year ended:

	31-Dec-24	31-Dec-23
	Kshs 'M	Kshs 'M
Net Revenue	67,916	66,540
Cost of sales	(39,781)	(37,033)
<b>Gross profit</b>	<b>28,135</b>	<b>29,507</b>
Operating costs excl. FX	(13,723)	(13,084)
Foreign exchange gains/(losses)	1,177	(2,309)
<b>Earnings before interest and tax</b>	<b>15,589</b>	<b>14,114</b>
Net finance costs	(3,442)	(4,019)
<b>Profit before income tax</b>	<b>12,147</b>	<b>10,095</b>
Income tax expense	(4,040)	(3,315)
<b>Profit for the period</b>	<b>8,107</b>	<b>6,780</b>
Other comprehensive income	1,272	1,552
<b>Total comprehensive income</b>	<b>9,379</b>	<b>8,332</b>
Basic earnings per share (annualized)	15.30	13.80

### Condensed consolidated statement of changes in equity

	Share capital & share premium	Other reserves	Retained earnings	Proposed dividends	Non-controlling interest	Total
	Kshs 'M	Kshs 'M	Kshs 'M	Kshs 'M	Kshs 'M	Kshs 'M
<b>At 30 June 2023 &amp; 1 July 2023</b>	<b>3,273</b>	<b>2,569</b>	<b>14,186</b>	<b>1,384</b>	<b>10,332</b>	<b>31,744</b>
Comprehensive income	-	(3,870)	8,146	-	2,635	6,911
Employees share based ownership plan	-	253	-	-	-	253
Dividends:						
- Final for 2023	-	-	-	(1,384)	(1)	(1,385)
- Total for 2024	-	-	(5,536)	4,745	-	(791)
<b>At 30 June 2024 &amp; 1 July 2024</b>	<b>3,273</b>	<b>(1,048)</b>	<b>16,796</b>	<b>4,745</b>	<b>12,966</b>	<b>36,732</b>
Comprehensive income	-	1,201	6,051	-	2,127	9,379
Dividends:						
- Final for 2024	-	-	-	(4,745)	(489)	(5,234)
- Interim for 2025	-	-	(1,977)	1,977	-	-
<b>At 31 December 2024</b>	<b>3,273</b>	<b>153</b>	<b>20,870</b>	<b>1,977</b>	<b>14,604</b>	<b>40,877</b>

### Condensed consolidated statement of cash flows for the half year ended:

	31-Dec-24	31-Dec-23
	Kshs 'M	Kshs 'M
<b>Cash generated from operations</b>	<b>22,658</b>	<b>19,740</b>
Net interest paid	(3,690)	(3,957)
Income tax paid	(2,711)	(2,232)
<b>Net cash generated from operating activities</b>	<b>16,257</b>	<b>13,551</b>
Purchase of property, plant and equipment	(3,472)	(4,307)
Other investing activities	(27)	(1)
<b>Net cash used in investing activities</b>	<b>(3,499)</b>	<b>(4,308)</b>
Dividends paid	(4,906)	(1,384)
Net movement in borrowings	(4,823)	(6,593)
<b>Net cash used in financing activities</b>	<b>(9,729)</b>	<b>(7,977)</b>
<b>Net increase in cash and cash equivalents</b>	<b>3,029</b>	<b>1,266</b>
At 1 July	10,814	9,043
Foreign exchange impact of translation	250	372
Net increase in cash and cash equivalents	3,029	1,266
<b>Cash and cash equivalents at 31 December</b>	<b>14,093</b>	<b>10,681</b>

### Condensed consolidated statement of financial position as at:

	31-Dec-24	30-Jun-24
	Kshs 'M	Kshs 'M
Share capital and share premium	3,273	3,273
Retained earnings	20,870	16,796
Other reserves	153	(1,048)
Proposed dividend	1,977	4,745
Non-controlling interests	14,604	12,966
<b>Total equity</b>	<b>40,877</b>	<b>36,732</b>
Borrowings	38,497	43,290
Other non-current liabilities	8,569	8,085
<b>Non-current liabilities</b>	<b>47,066</b>	<b>51,375</b>
<b>Total equity and non-current liabilities</b>	<b>87,943</b>	<b>88,107</b>
Property, plant and equipment	77,602	75,935
Other non-current assets	6,804	6,738
<b>Non-current Assets</b>	<b>84,406</b>	<b>82,673</b>
Inventories	14,507	12,630
Trade and other receivables	20,937	12,650
Cash and bank balances	14,093	11,716
Other current assets	3,794	4,577
<b>Current Assets</b>	<b>53,331</b>	<b>41,573</b>
Trade and other payables	41,867	28,354
Borrowings	7,136	6,376
Bank overdraft	-	901
Other current liabilities	791	508
<b>Current liabilities</b>	<b>49,794</b>	<b>36,139</b>
<b>Net current liabilities</b>	<b>3,537</b>	<b>5,434</b>
	<b>87,943</b>	<b>88,107</b>

### Operating Environment

In the first half of the year, we observed an improved macroeconomic environment marked by easing inflation, falling interest rates and appreciation of the currency in Kenya and Uganda. Despite these positive shifts, challenges to our business prevailed including shrinking disposable income, high cost of material inputs whilst currency volatility remains a concern. Illicit trade continues to grow, necessitating extra efforts from the government to mitigate the impact of unregulated alcohol trade.

### Business Review

- Net sales grew 2% to Kshs 67.9 billion (+8% organic growth, excluding currency shifts), while volume grew 1%. We achieved organic growth across each of our markets attributable to strategic pricing, improving product mix, a strong portfolio and innovation launches.
- Profit after tax grew 20% to Kshs 8.1 billion driven by cost management offsetting inflation, operational efficiencies and currency appreciation.
- Cash and cash equivalents of Kshs 14.1 billion increased by Kshs 3.4 billion, driven by revenue growth and improved working capital management.
- Total debt reduced by Kshs 4.9 billion contributing to lower finance costs.

### Looking Ahead

As we look to the second half, we remain focused on executing against our strategy to continue driving and delivering long-term sustainable growth.

### Dividend

The Board of Directors recommends an interim dividend of Kshs 2.50 per share subject to withholding tax, to be paid on or about 30<sup>th</sup> April 2025 to shareholders registered at the close of business on 21<sup>st</sup> February 2025.

By order of the Board

Ms. Angela Namwakira

**Group Company Secretary**

Date: 30 January 2025