

## Diageo sells East African Breweries stake to Asahi for \$2.3bn

Diageo has agreed to sell its 65% stake in East African Breweries to Japan's Asahi Holdings for \$2.3bn, divesting its last direct African beer holding.

By [Duncan Miriri](#) and [Emma Rumney](#) 22 Dec 2025



Source: Reuters/Daniel Becerril

The deal values EABL, a Nairobi blue chip stock and one of East Africa's top five companies by market capitalisation, at around \$4.8bn, Diageo and Asahi said.

It also marks the largest investment in an African alcohol business by a Japanese brewer, they added in a joint statement.

EABL, which also operates in Tanzania and Uganda, is known for its Tusker beer brand, named after the elephant that gored one of the brewery's founders on a hunting expedition in 1923.

Under the deal, EABL will retain Tusker and other local brands and sign new agreements with Diageo to produce Guinness and some spirits, while importing and distributing others.

London-listed Diageo, maker of Johnnie Walker whisky and Captain Morgan rum, is grappling with tariff hikes in its key US market, high debt levels and indications some younger consumers could be shifting away from drinking alcohol.

It has pledged to sell down non-core assets as part of a plan to reduce debts and cut costs. It said the sale of EABL was consistent with its strategy.

"This transaction delivers both significant value for Diageo shareholders and accelerates our commitment

strengthen the balance sheet," said Diageo's interim CEO Nick Jhangiani.

Shares in Diageo were up 1.9% at 0858 GMT, while EABL shares were almost 4% higher.

Jhangiani is due to return to the role of finance chief in January, when Dave Lewis takes over. The former Tesco chief was named as Diageo's new CEO as it looks to revive growth.

Japan's Asahi has been hunting for opportunities in markets including Africa and South America as it looks to expand globally. Its president and CEO Atsushi Katsuki said EABL offers an unrivalled portfolio of brands, marketing capabilities and production facilities.

The deal is set to complete in the second half of 2026.

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