



**INTERNATIONAL
BREWERIES PLC.**
A proud part of the **ABInBev** family

International Breweries Plc
Unaudited Condensed Financial Statements
for the 3 months ended 31st March 2021

International Breweries Plc
Unaudited Condensed Financial Statements
for the 3 months ended 31st March 2021
Contents

Certification of financial statements	2
Statement of directors' responsibilities	3
Statement of profit or loss	4
Statement of other comprehensive income	5
Statement of financial position	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the financial statements	9

International Breweries Plc
Unaudited Condensed Financial Statements
for the 3 months ended 31st March 2021
Certification of the unaudited condensed financial statements


Further to the provisions of section 405 of the Companies and Allied Matters Act, 2020, we the Managing Director/CEO and Finance Director of International Breweries Plc ("the company") respectively hereby certify as follows:

- a) That we have reviewed the Unaudited condensed financial statements of the company for the period ended 31st March 2021.
- b) That the Unaudited condensed financial statements represents the true and correct financial position of our company as at the said date of 31st March 2021.
- c) That the Unaudited condensed financial statements does not contain any untrue statement of material fact or omit to state a material fact, which would make the statement misleading.
- d) That the Unaudited condensed financial statements fairly presents, in all material respects, the financial condition and results of operation of the company as of and for the period ended 31st March, 2021.
- e) That we are responsible for establishing and maintaining internal controls and affirm that the company's internal controls were effective as of 31st March, 2021.
- f) That all significant deficiencies in the design or operation of internal controls which could adversely affect the company's ability to record, process, summarise and report financial data have been disclosed to the independent Auditor and the Audit Committee.

Signed



Mr. Hugo, Dias Rocha
Managing Director
FRC/2021/003/00000022841
28 April, 2021



Mr. Bruno Zambrano
Finance Director
FRC/2020/003/00000020628
28 April, 2021



Ms. Chinyere Ezeugwu
Country Finance Manager
FRC/2013/ICAN/0000000781
28 April, 2021

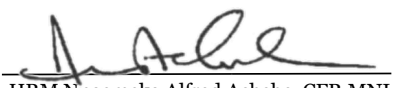
International Breweries Plc
Unaudited Condensed Financial Statements
for the 3 months ended 31st March 2021
Statement of directors' responsibilities

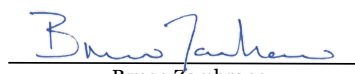
The Companies and Allied Matters Act requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Company at the end of the year and of its profit or loss. The responsibility includes:


- a) ensuring that the Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act;
- b) designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; and
- c) preparing the Company's financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates that are consistently applied.

The directors accept responsibility for the unaudited condensed quarterly financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act.

Nothing has come to the attention of the directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.


HRM Nnaemeka Alfred Achebe, CFR, MNI
Chairman
FRC/2013/NIM/0000001568
28 April, 2021


Bruno Zambrano
Finance Director
FRC/2020/003/00000020628
28 April, 2021


Mr. Hugo, Dias Rocha
Executive Director
FRC/2021/003/00000022841
28 April, 2021

International Breweries Plc
Unaudited Condensed Financial Statements
for the 3 months ended 31st March 2021
Statement of profit or loss

	Note	31 March 2021 N'000	31 March 2020 N'000
Revenue	3	38,964,318	35,348,525
Cost of sales	4	(32,478,909)	(29,175,632)
Gross profit		6,485,409	6,172,893
Administrative, Marketing and promotion expenses	5	(8,977,469)	(8,557,890)
Net impairment charge on financial assets		(217,761)	(13,710)
Other income/(expense)	6	(167,671)	(5,641,488)
		(2,877,492)	(8,040,195)
Finance income	7	17	1,330,133
Finance cost	7	(684,386)	(984,207)
Finance costs - net		(684,368)	345,926
Loss before tax		(3,561,860)	(7,694,269)
Income tax credit		982,948	2,048,269
Loss for the period		(2,578,912)	(5,645,999)
Basic and diluted loss per share (Naira)		(0.10)	(0.21)

The notes on pages 9 to 11 are an integral part of these financial statements.

International Breweries Plc
 Unaudited Condensed Financial Statements
 for the 3 months ended 31st March 2021
Statement of other comprehensive income

	31 March 2021 N'000	31 March 2020 N'000
Loss for the period	(2,578,912)	(5,645,999)
Other comprehensive income:		
<i>Items that will be subsequently reclassified to profit or loss:</i>		
Change in fair value of hedging instrument recognised in OCI	(64,892)	-
Other comprehensive loss for the period	(64,892)	-
Total comprehensive loss for the period	(2,643,804)	(5,645,999)
Basic and diluted loss per share (Naira)	(0.10)	(0.21)


The notes on pages 9 to 11 are an integral part of these financial statements.


International Breweries Plc
 Unaudited Condensed Financial Statements
 for the 3 months ended 31st March 2021
 Statement of financial position

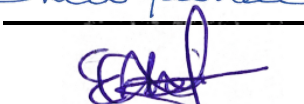
	31 March 2021	31 December 2020
	N'000	N'000
ASSETS		
Non-current assets		
Property, plant and equipment	249,749,905	253,684,588
Right of use assets	2,469,858	2,634,463
Intangible assets	688,035	771,000
Other receivables	84,830	319,032
Deferred tax assets	23,788,127	22,549,998
	<u>276,780,754</u>	<u>279,959,081</u>
Current assets		
Inventories	15,204,611	14,192,926
Trade and other receivables	17,621,545	15,789,595
Investment securities	11,897,114	11,897,114
Cash and cash equivalents	35,667,166	33,477,340
Restricted cash	16,230,350	17,330,350
	<u>96,620,786</u>	<u>92,687,325</u>
Total assets	<u>373,401,540</u>	<u>372,646,406</u>
LIABILITIES		
Non-current liabilities		
Lease liabilities	626,425	580,529
Employee benefit obligations	2,824,183	2,410,499
	<u>3,450,608</u>	<u>2,991,028</u>
Current liabilities		
Trade and other payables	104,153,631	101,607,767
Borrowings	112,770,468	110,666,849
Lease liabilities	1,152,757	1,152,757
Derivative financial instruments	757,730	2,722,238
Current tax liabilities	2,026,293	1,771,910
	<u>220,860,879</u>	<u>217,921,521</u>
Total liabilities	<u>224,311,487</u>	<u>220,912,549</u>
EQUITY		
Share capital	13,431,034	13,431,034
Share premium	159,803,396	159,803,396
Other reserves	1,360,756	1,360,756
Cash flow hedge reserve	(6,369,490)	(6,304,598)
Employee benefit reserves	(1,251,173)	(1,251,173)
Retained losses	(17,884,470)	(15,305,558)
Total equity	<u>149,090,053</u>	<u>151,733,857</u>
Total equity and liabilities	<u>373,401,540</u>	<u>372,646,406</u>

The notes on pages 9 to 11 are an integral part of these financial statements.

The financial statements on pages 4 to 11 were approved and authorised for issue by the board of Directors on 28 April 2021 and were signed on its behalf by:

 HRM Nnaemeka Alfred Achebe, CFR,MNI (Chairman) FRC/2013/NIM/00000001568

 Mr. Bruno Zambrano (Director) FRC/2020/003/00000020628

 Ms. Chinyere Ezeugwu (Country Finance Manager) FRC/2013/ICAN/00000000781

International Breweries Plc

Unaudited Condensed Financial Statements

for the 3 months ended 31st March 2021

Statement of changes in equity

	Share capital N'000	Share Premium N'000	Other reserves N'000	Cash flow hedge reserve N'000	Employee benefit reserves N'000	Retained (losses)/ earnings N'000	Total equity N'000
At 1 January 2021	13,431,034	159,803,396	1,360,756	(6,304,598)	(1,251,173)	(15,305,558)	151,733,857
Loss for the period	-	-	-	-	-	(2,578,912)	(2,578,912)
Other comprehensive loss	-	-	-	(64,892)	-	-	(64,892)
Total comprehensive loss for the period	-	-	-	(64,892)	-	(2,578,912)	(2,643,804)
Balance at 31 March 2021	13,431,034	159,803,396	1,360,756	(6,369,490)	(1,251,173)	(17,884,470)	149,090,053

The notes on pages 9 to 11 are an integral part of these financial statements.

International Breweries Plc
 Unaudited Condensed Financial Statements
 for the 3 months ended 31st March 2021
Statement of cash flows

		31 March 2021	31 March 2020
	Note	N'000	N'000
Cash flows from operating activities			
Cash generated from operations	15	6,726,399	(2,817,478)
Net cash inflow from operating activities		6,726,399	(2,817,478)
Cash flows from investing activities			
Acquisition of property, plant and equipment		(4,998,101)	(2,514,057)
Interest received	7	17	1,330,133
Net cash outflow from investing activities		(4,998,083)	(1,183,924)
Cash flows from financing activities			
Repayment of borrowings		-	(164,526,104)
Interest paid		(638,490)	(950,414)
Proceed from rights issue		-	162,775,768
Net cash outflow from financing activities		(638,490)	(2,700,750)
Net increase in cash and cash equivalents		1,089,826	(6,702,153)
Cash and cash equivalents at the beginning of the period		50,807,690	31,806,209
Cash and cash equivalents at the end of the period	10	51,897,516	25,104,056

The notes on pages 9 to 11 are an integral part of these financial statements.

1 General information

These financial statements are the financial statements of International Breweries Plc ("the Company"). The Company was incorporated in Nigeria as a private limited liability company on 22 December 1971 under the Companies and Allied Matters Act, and is domiciled in Nigeria. The Company became a public limited liability company on 26 April, 1994.

The address of its registered office is:
Plot 5A Abuja Street, Banana Island,
Ikoyi,
Lagos, Nigeria

The principal activities of the Company are brewing, packaging and marketing of beer, alcoholic flavoured/ non-alcoholic beverages and soft drinks. The parent company is AB InBev Nigeria Holdings BV, the ultimate parent company is Anheuser-Busch InBev SA/NV.

2 Summary of accounting policies

2.1 Introduction to summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.2 Basis of preparation

The condensed financial statements for the period ended 31 March 2021 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Additional information required by national regulations is included where appropriate. They do not include all the information required for a full annual financial statements, and should be read in combination with the year end financial statement of International Breweries Plc for the year ended 31st December, 2020.

All values are rounded to the nearest thousand, except when otherwise indicated. The financial statements are presented in thousands of Naira.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Company's financial statements therefore present the financial position and results fairly.

2.3 Going concern

The financial statements have been prepared on a going concern basis. The directors have no doubt that the company will be in existence after 12 months from the reporting date. The directors do not intend to cease operations or stop any of the production lines.

2.4 Changes in accounting policy and disclosures

The Company has applied the accounting policies in these condensed financial statements consistently with those applied in the financial statements for the year ended 31st December 2020.

No new accounting policy in the period under review has significant impact on the financial statements that require disclosure.

International Breweries Plc
 Unaudited Condensed Financial Statements
 for the 3 months ended 31st March 2021
 Notes to the financial statements

3 Revenue	31 March 2021 N'000	31 March 2020 N'000
Revenue from contracts with customers	38,964,318	35,348,525
4 Cost of sales	31 March 2021 N'000	31 March 2020 N'000
Materials consumed and allocated overheads	22,931,037	22,609,719
Employee benefit expenses	1,020,668	1,009,315
Technical management fees	974,108	830,690
Amortisation of container	4,555,025	2,096,181
Depreciation - plant machinery	2,998,071	2,629,728
	32,478,909	29,175,632
5 Administrative & Marketing expenses	31 March 2021 N'000	31 March 2020 N'000
Employee benefit expenses	2,044,668	2,041,638
Other staff related costs	787,392	645,273
Business running costs	2,042,398	1,795,823
Depreciation	1,627,259	1,427,333
Advertising and promotion	2,475,753	2,647,823
	8,977,469	8,557,890
6 Other income/(expense)	31 March 2021 N'000	31 March 2020 N'000
Waste and scrap sales	10,068	1,728
Gain on derivatives	-	4,543,819
Sundry income	(7,194)	(244,269)
Royalty received	49,298	-
Net foreign exchange loss - realised	(300,980)	(4,690,456)
Net foreign exchange gain/(loss) - unrealised	81,137	(5,252,310)
	(167,671)	(5,641,488)
7 Finance income and costs	31 March 2021 N'000	31 March 2020 N'000
Finance income		
Interest income	17	1,330,133
Finance costs		
Interest expense on borrowings	(638,490)	(950,414)
Interest expense on lease liabilities	(45,896)	(33,793)
Net finance costs	(684,369)	345,926

8 Property, plant and equipment

Acquisitions:

During the 3 months period ended 31st March 2021, the company acquired plant, property and equipment with a total cost of N4.9 billion (3 months ended 31st March 2020: N2.5 billion)

Capital commitments:

As at 31st March 2021, the company's commitment for plant, property and equipment was N6.9 billion (31st March 2020: N13.6 billion)

9 Borrowings

The overdraft facilities from the various banks are usually all secured by corporate guarantee of the company. Interest on the bank overdrafts is payable at rates ranging from 7% to 13%; there are no overdraft facilities during the period.

A balance of a loan amounting to \$278m which was obtained in 2018 with maturity date of May 2021. The Company has entered into non deliverable forward contracts to mitigate the forex risk on the contractual interest and principal repayments. There is also a loan (revolving credit facility) of N57 billion that has not been drawn down by the company as at end of the reporting period.

Interest rates on the Company's loans range from 4% to 13%. The Company's borrowings are within the period from one year to three years.

International Breweries Plc
 Unaudited Condensed Financial Statements
 for the 3 months ended 31st March 2021
 Notes to the financial statements

10	Cash and cash equivalents	31 March 2021 N'000	31 December 2020 N'000
	Cash at bank	35,667,166	33,477,340
	Restricted cash*	16,230,350	17,330,350
		51,897,516	50,807,690

The company classifies its cash on hand and in bank, and investments in short term liquid instruments as cash and cash equivalents.
 *Restricted cash is collateral deposit held by the bank till the maturity date of forward contracts.

11	Share capital	31 March 2021 N'000	31 December 2020 N'000
	Authorised: 30,000,000,000 Ordinary shares of 50 kobo each	15,000,000	15,000,000
	Issued and fully paid: 26,862,069,000 Ordinary shares of 50 kobo each	13,431,034	13,431,034

Brauhaase International Management GMBH and its ultimate holding company (AB InBev Nigeria Holding BV) as at 31 March, 2021 held an equity interest of 87.29% in International Breweries Plc.

The Company's free float is currently within the permissible limit as provided by the Rules of the NGX as current tradable value is over N20m as at the date of this results.

12	Share premium	31 March 2021 N'000	31 December 2020 N'000
	Balance as at 31 March	159,803,396	159,803,396

13 Fair Value
 IFRS 13 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable input reflect market data obtained from independent sources; unobservable inputs reflect the Company's market assumptions.

At the reporting date, the Company valued its derivatives as measured at fair value in the level 2 fair value hierarchy. The carrying amounts of all other financial assets and liabilities at the reporting date approximate their fair values.

14	Loss per share	31 March 2021	31 March 2020
	Basic earnings/(loss) per share (EPS) is calculated by dividing the loss after taxation by the weighted average number of ordinary shares in issue at the end of the reporting period.		
	Loss attributable to shareholders (N'000)	(2,578,912)	(5,645,999)
	Weighted average number of ordinary shares in issue ('000)	26,862,069	26,862,069
	Basic and diluted loss per share (Naira)	(0.10)	(0.21)

15	Cash generated from operating activities	31 March 2021 N'000	31 March 2020 N'000
	15.1 Reconciliation of cash generated from operations		
	Loss before tax	(3,561,860)	(7,694,268)
	Adjustment for non cash items:		
	Depreciation of property, plant and equipment	8,932,784	6,255,732
	Depreciation right of use	164,606	223,946
	Amortisation of intangible assets	82,965	25,808
	Fair value loss on foreign currency forwards	-	(4,543,819)
	Interest received	17	(1,330,133)
	Interest expense	684,386	984,207
	Employee benefit expense	413,684	-
	Impairment loss on financial assets	217,761	13,710
	Unrealised exchange (gain)/loss	251,682	6,907,376
	Changes in working capital:		
	Decrease/(increase) in trade and other receivables	(1,815,511)	813,092
	Decrease/(increase) in inventories	(1,011,685)	(2,436,375)
	Decrease in trade and other payables	2,367,570	(2,036,754)
	Net cash generated from operations	6,726,399	(2,817,478)

16 Related Party Transactions
 The company's related parties include the ultimate parent company, AB InBev, SAB-Miller Finance BV and SAB-Miller Plc a subsidiary of AB InBev; its group entities; the directors, their close family members and employees who are able to exert a significant influence on the company's operating policies. These may also include key management personnel having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

All outstanding balances with these related parties are priced on arm's length basis and are to be settled within the agreed periods. None of the balances are secured and do not bear interest.

17 Events after the reporting period
 There were no events which could have materially impacted on the affairs of the company within the reporting period which have not been adequately disclosed in the unaudited condensed results for the period ended 31st March, 2021.

18 Securities Dealing Policy
 International Breweries Plc has in place a Securities Trading Policy "The Policy" which guides the Board and Employees when effecting transactions in the Company's shares. The Policy provides for periods for Dealing in Shares and other Securities, established communication protocols on periods when transactions are not permitted to be effected on the Company's Shares (Closed Period) as well as disclosure requirements when effecting such transactions.
 Insiders covered in this Policy have not notified the Company of any dealing in the Company's Securities within this period and the Company is not aware of any breach of this Policy within the period.