

Guinness Nigeria Plc

Unaudited Financial Statements

For the period ended 31 December 2022

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Statement of Financial Position

As at 31 December

	Notes	31 Dec 2022 N ^o 000	30 Jun 2022 N ^o 000
ASSETS			
<i>Non-current assets</i>			
Property, plant and equipment	13(a)	98,387,235	97,685,577
Right-of-use assets	22(a)	318,516	368,512
Intangible assets	14	471,418	326
Prepayments	15	3,330	4,757
Total non-current assets		<u>99,180,499</u>	<u>98,059,172</u>
<i>Current assets</i>			
Inventories	16	38,403,733	32,000,675
Trade and other receivables	17(a)	17,276,122	14,078,900
Prepayments	15	767,639	587,852
Restricted cash	18(a)	1,577,324	1,829,893
Cash and cash equivalents	18(b)	65,421,884	69,103,716
Total current assets		<u>123,446,702</u>	<u>117,601,036</u>
Total assets		<u><u>222,627,201</u></u>	<u><u>215,660,208</u></u>
Equity			
Share capital		1,095,191	1,095,191
Share premium		47,447,029	47,447,029
Retained earnings		30,074,987	41,437,171
Total equity		<u>78,617,207</u>	<u>89,979,391</u>
Liabilities			
<i>Non-current liabilities</i>			
Lease liabilities	22(b)	188,730	177,144
Employee benefits		1,434,189	1,528,175
Deferred tax liabilities		10,443,073	10,443,073
Total non-current liabilities		<u>12,065,992</u>	<u>12,148,392</u>
<i>Current liabilities</i>			
Current tax liabilities	12(b)	2,473,375	8,740,294
Dividend payable	20(a)	1,650,639	1,933,364
Loans and borrowings	21(a)	32,476,642	31,309,343
Lease liabilities	22(b)	55	51
Contract liabilities	7(b)	794,084	1,866,384
Trade and other payables	23	94,549,207	69,682,989
Total current liabilities		<u>131,944,002</u>	<u>113,532,425</u>
Total liabilities		<u>144,009,994</u>	<u>125,680,817</u>
Total equity and liabilities		<u><u>222,627,201</u></u>	<u><u>215,660,208</u></u>

Approved by the Board of Directors on 25 January 2023 and signed on its behalf by:



Dr Omobola Johnson (Chairman)

FRC/2018/IODN/00000018366



John Musunga (Managing Director)*



Emmanuel Difom (Finance & Strategy Director)

FRC/2022/PRO/ICAN/001/00000024174

*The waiver of the FRCN has been received for the Managing Director to sign the Unaudited Financial Statements of the Company pending registration with FRCN.

The notes on pages 6 to 18 are integral parts of these financial statements.

Income Statement

For the period ended 31 December

	Notes	Quarter to date 31 December 2022	Year to date 31 December 2022	Quarter to date 31 December 2021	Year to date 31 December 2021
		N'000	N'000	N'000	N'000
Revenue	7(a)	65,601,794	118,451,675	61,655,076	109,124,503
Cost of sales		(41,550,824)	(76,161,228)	(40,383,741)	(72,616,506)
Gross profit		24,050,970	42,290,447	21,271,335	36,507,997
Other income	8(a)	293,978	954,360	1,126,463	1,374,017
Marketing and distribution expenses	8(b)	(12,515,105)	(21,929,106)	(12,251,375)	(18,831,330)
Administrative expenses		(5,185,174)	(8,766,169)	(3,061,375)	(5,459,208)
Profit from operating activities		6,644,669	12,549,532	7,085,048	13,591,476
Finance income	9(a)	800,720	1,398,224	126,679	633,127
Finance expense	9(b)	(4,253,104)	(6,713,095)	(186,759)	(1,252,779)
Net finance expense		(3,452,384)	(5,314,871)	(60,080)	(619,652)
Profit before income tax		3,192,285	7,234,661	7,024,968	12,971,824
Tax expense	12	(1,916,548)	(3,210,110)	(2,247,992)	(4,150,984)
Profit for the period		1,275,737	4,024,551	4,776,976	8,820,840
Earnings per share					
Basic and diluted earnings per share (kobo)			184		403

The notes on pages 6 to 18 are integral parts of these financial statements.

Statement of Comprehensive Income

For the period ended 31 December

	Quarter to date 31 December 2022	Year to date 31 December 2022	Quarter to date 31 December 2021	Year to date 31 December 2021
	N'000	N'000	N'000	N'000
Profit for the period	1,275,737	4,024,551	4,776,976	8,820,840
Total comprehensive income for the period	1,275,737	4,024,551	4,776,976	8,820,840

The notes on pages 6 to 18 are integral parts of these financial statements.

Statement of Changes in Equity

For the period ended 31 December

	Notes	Share capital	Share premium	Share based payment reserve	Retained earnings	Total equity
		N'000	N'000	N'000	N'000	N'000
Balance at 1 July 2021		1,095,191	47,447,029	—	25,744,355	74,286,575
Total comprehensive income						
Profit for the period		—	—	—	8,820,840	8,820,840
Total comprehensive income for the period		—	—	—	8,820,840	8,820,840
Transaction with owners, recorded directly in equity						
Dividend to equity holders	20	—	—	—	(422,942)	(422,942)
Unclaimed dividend written back	20	—	—	—	923,058	923,058
Share-based payment charge		—	—	98,965	—	98,965
Share-based payment recharge		—	—	(98,965)	—	(98,965)
Total transactions with owners		—	—	—	500,116	500,116
Balance at 31 December 2021		1,095,191	47,447,029	—	35,065,311	83,607,531
Balance at 1 July 2022		1,095,191	47,447,029	—	41,437,171	89,979,391
Total comprehensive income						
Profit for the year		—	—	—	4,024,551	4,024,551
Total comprehensive income for the period		—	—	—	4,024,551	4,024,551
Transaction with owners, recorded directly in equity						
Dividend to equity holders	20	—	—	—	(6,564,798)	(6,564,798)
Dividend declared, but not yet paid	20	—	—	—	(9,074,536)	(9,074,536)
Unclaimed dividend written back	20	—	—	—	252,599	252,599
Share-based payment charge		—	—	115,628	—	115,628
Share-based payment recharge		—	—	(115,628)	—	(115,628)
Total transactions with owners		—	—	—	(15,386,735)	(15,386,735)
Balance at 31 December 2022		1,095,191	47,447,029	—	30,074,987	78,617,207

The notes on pages 6 to 18 are integral parts of these financial statements.

Statement of Cash Flows

For the period ended 31 December

	Notes	6 Months Ended 31 December 2022	6 Months Ended 31 December 2021
		N'000	N'000
Cash flows from operating activities			
Profit before income tax		7,234,661	12,971,824
<i>Adjustments for:</i>			
Depreciation of property plant and equipment	13(a)	4,495,863	4,250,580
Depreciation of right-of-use assets	22(a)	69,575	64,252
Amortisation of intangible assets	14	16,327	1,687
Write-off of property, plant and equipment	13(c)	36,076	634,429
Gain on disposal of property, plant and equipment	13(a)	(704,188)	(791,430)
Impairment of inventories		101,647	284,084
Impairment/(Reversal of impairment) of trade and other receivables	17(b)	27,999	(18,823)
Long service awards		70,619	58,513
Share-based payments		115,628	98,965
Finance income	9(a)	(1,398,224)	(633,127)
Finance expense	9(b)	6,713,095	1,252,779
Charge for/(Release of) other provisions		88,691	(428,643)
		<u>16,867,769</u>	<u>17,745,090</u>
<i>Changes in working capital:</i>			
Inventories		(6,504,705)	(5,998,990)
Trade and other receivables	17(b)	(2,922,793)	(497,645)
Prepayments		(178,360)	(110,185)
Dividend payables	20	(30,126)	(50,150)
Trade and other payables		17,282,627	13,175,443
Cash generated from operating activities		<u>24,514,412</u>	<u>24,263,563</u>
Income tax paid		(9,477,028)	(642,324)
Value added tax paid		(5,950,215)	(4,661,272)
Gratuity paid		(153,542)	(14,769)
Long service awards paid		(98,296)	(70,271)
Net cash generated from operating activities		<u>8,835,331</u>	<u>18,874,926</u>
Cash flows from investing activities			
Finance income received	9(a)	1,032,857	385,453
Proceeds from disposal of property, plant and equipment	13(c)	704,188	791,430
Acquisition of property, plant and equipment	13(b)	(3,342,215)	(3,945,945)
Acquisition of intangible assets	14	(487,419)	—
Net cash used in investing activities		<u>(2,092,589)</u>	<u>(2,769,062)</u>
Cash flows from financing activities			
Proceeds from loans and borrowings	21(b)	6,973,551	15,720,826
Repayment of loans and borrowings	21(b)	(9,222,187)	(7,107,008)
Repayment of principal portion of lease liabilities	22(b)	(7,989)	(294,398)
Finance expense paid	9(b)	(1,666,090)	(637,438)
Dividends paid	20	(6,564,798)	(422,942)
Net cash (used in)/generated from financing activities		<u>(10,487,513)</u>	<u>7,259,040</u>
Net (decrease)/increase in cash and cash equivalents		(3,744,771)	23,364,904
Effect of foreign exchange rate changes on cash and cash equivalents		62,939	(162)
Cash and cash equivalents at 1 July		69,103,716	35,868,834
Cash and cash equivalents at 31 December	18(b)	<u>65,421,884</u>	<u>59,233,576</u>

The notes on pages 6 to 18 are integral parts of these financial statements.

Notes to the Financial Statements

For the period ended 31 December

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1. Reporting entity

Guinness Nigeria Plc, ('the Company'), a public Company quoted on the Nigerian Stock Exchange, was incorporated in Nigeria on 29 April 1950, as a trading company importing Guinness Stout from Dublin. The Company has since transformed itself into a manufacturing operation and its principal activities continue to be brewing, packaging, marketing and selling of Guinness Foreign Extra Stout, Guinness Smooth, Malta Guinness, Guinness Gold, Harp Lager, Smirnoff Ice, Satzenbrau Lager, Dubic Malt, Snapp, Orijin Spirit Mixed Drink, Orijin Bitters, Smirnoff Ice Double Black with Guarana, Orijin Zero and Orijin Herbal Gin, Baileys Delight, Gordons Moringa among others.

The address of the Company's registered office is at 24 Oba Akran Avenue, Ikeja, Lagos.

2a. Basis of preparation

The interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). The financial statements were authorised for issue by the Board of Directors on 25 January 2023.

2b. Going concern basis of accounting

The financial statements have been prepared on a going concern basis, which assumes that the Company will be able to meet the mandatory repayment terms of banking facilities, trade, lease and other liabilities.

2c. Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule), Guinness Nigeria Plc maintains a Dealing in Securities Code (the "Code") which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Code undergoes periodic reviews by the Board and is updated accordingly to comply with national and international best practice of corporate governance. The Company has made specific enquiries and given relevant notifications to all its Directors, Audit Committee members, employees and other insiders and is not aware of any infringement of the Code during the period under review.

3. Functional and presentation currency

These financial statements are presented in Naira, which is the Company's functional currency. All financial information presented in Naira (N) has been rounded to the nearest thousand unless otherwise stated.

4. Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

5. Changes in accounting policies

There were no significant accounting policy change in the current financial year.

6. Significant accounting policies

The Company applied accounting policies consistent to those applied in the Company's financial statement as at year ended 30 June 2022.

7. Revenue**a. Disaggregation of revenue from contract with customer**

	31 Dec 2022	31 Dec 2021
	N'000	N'000
Nigeria	117,250,272	108,037,217
Export	1,201,403	1,087,286
	<u>118,451,675</u>	<u>109,124,503</u>

b. Liabilities relating to contracts with customers

	31 Dec 2022	30 Jun 2022
	N'000	N'000
Contract liabilities	794,084	1,866,384

8. Other income and marketing and distribution expenses**a. Other income comprises:**

	31 Dec 2022	31 Dec 2021
	N'000	N'000
Income from leased assets	89,792	158,034
Sale of by-products	160,380	424,553
Gain on disposal of property, plant and equipment	704,188	791,430
	<u>954,360</u>	<u>1,374,017</u>

b. Marketing and distribution expenses:

	31 Dec 2022	31 Dec 2021
	N'000	N'000
Marketing expenses	11,537,733	10,738,248
Distribution expenses	10,391,373	8,093,082
	<u>21,929,106</u>	<u>18,831,330</u>

9. Finance income and finance expense**a. Finance income is as follows:****i. Finance income per income statement**

	31 Dec 2022	31 Dec 2021
	N'000	N'000
Total interest income arising from financial assets	1,032,857	385,453
Accrued interest	276,660	—
Gain on re-measurement of foreign currency balances	88,707	206,154
Interest impact on remeasurement of lease liability	—	41,520
	<u>1,398,224</u>	<u>633,127</u>

ii. Finance income received in the statement of cash flows

	31 Dec 2022	31 Dec 2021
	N'000	N'000
Finance income per income statement	1,398,224	633,127
Unrealised exchange gain	(88,707)	(206,154)
Accrued finance income	(276,660)	—
Interest impact on remeasurement of lease liability	—	(41,520)
	<u>1,032,857</u>	<u>385,453</u>

b. Finance expense is as follows:**i. Finance expense per income statement**

	31 Dec 2022	31 Dec 2021
	N'000	N'000
Interest expense on loans and borrowings	400,478	275,909
Accrued interest	427,979	—
Interest expense on lease liabilities	11,015	33,788
Interest expense on employee benefits	87,233	77,576
Exchange difference on letter of credits	1,971,726	421,418
Exchange difference on foreign currency loan	1,039,856	195,098
Loss on remeasurement of foreign currency balances	2,774,808	248,990
	<u>6,713,095</u>	<u>1,252,779</u>

ii. Finance expense paid in the statement of cash flows

	31 Dec 2022	31 Dec 2021
	N'000	N'000
Finance expense per income statement	6,713,095	1,252,779
Interest expense on employee benefits	(87,233)	(77,576)
Accrued interest	(427,979)	—
Unrealised foreign exchange loss	(4,531,793)	(537,765)
	<u>1,666,090</u>	<u>637,438</u>

10. Profit before taxation

Profit before taxation is stated after charging:

	31 Dec 2022	31 Dec 2021
	N'000	N'000
Depreciation of property, plant and equipment (Note 13(a))	4,495,863	4,250,580
Depreciation of right-of-use assets (Note 22(a))	69,575	64,252
Write-off of property plant and equipment (Note 13(c))	36,076	634,429
Amortisation of intangible assets (Note 14)	16,327	1,687
Personnel expenses (Note 11(a))	8,378,132	6,355,402
Gain on disposal of property, plant and equipment (Note 13(c))	(704,188)	(791,430)
Rental expenses	230,448	355,801
Royalty and technical service fees	809,517	676,958
	<u>8,378,132</u>	<u>6,355,402</u>

11. Personnel expenses

Personnel expenses including the provision for gratuity liabilities and other long term employee benefits comprise:

	31 Dec 2022	31 Dec 2021
	N'000	N'000
Salaries, wages and allowances	7,595,236	5,646,284
Contributions to defined contribution plans	596,649	512,689
Share-based payments expense	115,628	98,965
Other long term employee benefits	70,619	58,632
Termination cost arising from restructuring	—	38,832
Total personnel expenses	<u>8,378,132</u>	<u>6,355,402</u>

12. Taxation

a. Amounts recognised in income statement

	31 Dec 2022	31 Dec 2021
	N'000	N'000
Current tax expense:		
Current income tax charge	2,170,398	3,891,548
Tertiary education tax	144,693	259,436
Prior years under-provision	895,019	—
	<u>3,210,110</u>	<u>4,150,984</u>

b. Movement in current tax liabilities

	31 Dec 2022	30 Jun 2022
	N'000	N'000
Balance at 1 July	8,740,293	992,986
Payments during the period/year	(9,477,028)	(642,324)
Charge for the period/year	2,315,091	8,435,028
Charge on prior years' Tax Audits	895,019	—
Withholding tax credit notes utilised	—	(45,396)
Balance at the end of period/year	<u>2,473,375</u>	<u>8,740,294</u>

13. Property, plant and equipment (PPE)

a. The movement on PPE during the year was as follows:

	Leasehold land	Buildings	Plant and machinery	Furniture and equipment	Motor vehicles	Returnable packaging materials	Capital work- in-progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost								
At 1 July 2021	8,328,428	20,979,647	100,084,877	392,345	9,431,964	29,268,372	4,247,505	172,733,138
Reclassification from intangibles	—	—	(270,671)	47,218	223,453	—	—	—
Additions	—	44,341	966,660	12,693	280,888	3,555,000	7,600,743	12,460,325
Transfers	—	86	327,220	—	78,788	17,818	(423,912)	—
Write-offs	—	—	(913,972)	(4,527)	(309,624)	(366,069)	(61)	(1,594,253)
Disposal	—	—	—	—	(811,379)	—	—	(811,379)
At 30 June 2022	8,328,428	21,024,074	100,194,114	447,729	8,894,090	32,475,121	11,424,275	182,787,831
At 1 July 2022	8,328,428	21,024,074	100,194,114	447,729	8,894,090	32,475,121	11,424,275	182,787,831
Additions	55,902	46,372	1,097,860	47,288	165,013	2,172,348	1,648,814	5,233,597
Write-offs	—	—	(40,264)	(108,207)	(2,055,892)	—	—	(2,204,363)
Transfer	711,210	3,708,870	4,669,947	112,070	101,042	502,365	(9,805,504)	—
At 31 December 2022	9,095,540	24,779,316	105,921,657	498,880	7,104,253	35,149,834	3,267,585	185,817,065
Depreciation and impairment								
At 1 July 2021	(144,120)	(4,594,950)	(43,565,865)	(391,120)	(6,348,848)	(23,451,348)	—	(78,496,251)
Reclassification from intangibles	—	—	265,443	(47,137)	(218,306)	—	—	—
Charge for the year	—	(501,726)	(4,984,865)	(1,735)	(996,070)	(1,980,910)	—	(8,465,306)
Write-offs	—	—	541,561	4,520	305,400	199,957	—	1,051,438
Disposals	—	—	—	—	807,865	—	—	807,865
At 30 June 2022	(144,120)	(5,096,676)	(47,743,726)	(435,472)	(6,449,959)	(25,232,301)	—	(85,102,254)
At 1 July 2022	(144,120)	(5,096,676)	(47,743,726)	(435,472)	(6,449,959)	(25,232,301)	—	(85,102,254)
Charge for the year	—	(254,005)	(2,476,477)	(3,387)	(480,369)	(1,281,625)	—	(4,495,863)
Write-offs	—	—	8,387	108,207	2,051,693	—	—	2,168,287
At 31 December 2022	(144,120)	(5,350,681)	(50,211,816)	(330,652)	(4,878,635)	(26,513,926)	—	(87,429,830)
Carrying amount								
At 30 June 2022	8,184,308	15,927,398	52,450,388	12,257	2,444,131	7,242,820	11,424,275	97,685,577
At 31 December 2022	8,951,420	19,428,635	55,709,841	168,228	2,225,618	8,635,908	3,267,585	98,387,235

b. Cash paid on acquisition of property, plant and equipment in the statement of cash flows

	31 Dec 2022	31 Dec 2021
	N'000	N'000
Additions during the year (Note 13(a))	5,233,597	6,180,542
Payments on prior year accruals for additions	1,423,039	461,561
Accruals on current year acquisitions	(3,314,421)	(2,696,158)
	<u>3,342,215</u>	<u>3,945,945</u>

c. Property, plant and equipment disposed/written off in the statement of cash flows

	31 Dec 2022	31 Dec 2021
	N'000	N'000
Cost of Property, plant and equipment written off	2,204,363	2,069,062
Accumulated depreciation on Property, plant and equipment written off	(2,168,287)	(1,434,633)
Carrying amount of Property, plant and equipment written off	36,076	634,429
Proceeds from disposal of property, plant and equipment	(704,188)	(791,430)
	<u>(668,112)</u>	<u>(157,001)</u>
Analysed as:		
Carrying amount of property, plant and equipment written off	36,076	634,429
Gain on disposal of property, plant and equipment	(704,188)	(791,430)
	<u>(668,112)</u>	<u>(157,001)</u>

14. Intangible assets

The movement in intangible assets during the year was as follows:

	Distribution right	Computer software	Total
	N'000	N'000	N'000
Cost			
Balance at 1 July 2021	995,250	2,302,338	3,297,588
Write-offs	—	(2,069,507)	(2,069,507)
Balance at 30 June 2022	995,250	232,831	1,228,081
Balance at 1 July 2022	995,250	232,831	1,228,081
Additions	—	487,419	487,419
Write-offs	—	(31,134)	(31,134)
Balance at 31 December 2022	995,250	689,116	1,684,366
Amortisation			
Balance at 1 July 2021	(995,250)	(2,300,247)	(3,295,497)
Write-offs	—	2,069,507	2,069,507
Charge for the year	—	(1,765)	(1,765)
Balance at 30 June 2022	(995,250)	(232,505)	(1,227,755)
Balance at 1 July 2022	(995,250)	(232,505)	(1,227,755)
Write-offs	—	31,134	31,134
Charge for the year	—	(16,327)	(16,327)
Balance at 31 December 2022	(995,250)	(217,698)	(1,212,948)
Carrying amount			
At 30 June 2022	—	326	326
At 31 December 2022	—	471,418	471,418

15. Prepayments

Prepayments comprise:

	31 Dec 2022	30 Jun 2022
	N'000	N'000
Prepaid rent	173,898	128,798
Other prepaid expenses	597,071	463,811
	<u>770,969</u>	<u>592,609</u>
Prepayments is analysed into:		
	N'000	N'000
Non-current	3,330	4,757
Current	767,639	587,852
	<u>770,969</u>	<u>592,609</u>

Other prepaid expenses relate to housing and education subsidies, leave allowance and insurance. Prepaid rent disclosed is out of scope of IFRS16.

16. Inventories

Inventories comprise:

	31 Dec 2022	30 Jun 2022
	N'000	N'000
Finished products	9,382,621	10,240,778
Products in process	2,415,489	1,404,651
Raw materials and packaging materials	8,959,418	8,862,945
Engineering spares	15,306,616	8,413,550
Inventories in transit	2,339,589	3,078,751
	<u>38,403,733</u>	<u>32,000,675</u>

17. Trade and other receivables

a. Trade and other receivables comprise:

Financial assets:

	31 Dec 2022	30 Jun 2022
	N'000	N'000
Trade receivables	13,473,165	9,478,075
Other receivables	316,562	63,283
Advance payments to suppliers	2,967,989	3,292,501
Amounts due from related parties	69,182	269,395
Total financial assets	<u>16,826,898</u>	<u>13,103,254</u>

Non-financial assets:

Other receivables - current	449,224	975,646
Total trade and other trade receivables	<u>17,276,122</u>	<u>14,078,900</u>

b. Changes in trade and other receivables in the statement of cash flows:

	31 Dec 2022	30 Jun 2022
	N'000	N'000
Change in current trade and other receivables	(3,197,222)	(59,515)
Unrealised exchange gain	25,768	879,849
Accrued finance income	276,660	32,844
Withholding tax credit notes applied on income tax settlement	—	(45,396)
Release of expected credit loss on (non-financial) other receivables	—	309,309
(Charge for)/Release of expected credit loss on (financial) trade and other receivables	(27,999)	96,045
	<u>(2,922,793)</u>	<u>1,213,136</u>

18. Cash and cash equivalents

a. Restricted cash:

	31 Dec 2022	30 Jun 2022
	N'000	N'000
Restricted cash	<u>1,577,324</u>	<u>1,829,893</u>

b. Cash and cash equivalents:

	31 Dec 2022	30 Jun 2022
	N'000	N'000
Bank balances	27,692,602	26,742,309
Short-term deposits	37,729,282	42,361,407
Cash and cash equivalents	<u>65,421,884</u>	<u>69,103,716</u>
Cash and cash equivalents in the statement of cash flows	<u>65,421,884</u>	<u>69,103,716</u>

19. Share capital and reserves

a. Authorised ordinary shares of 50k each

in thousand of shares

	31 Dec 2022	30 Jun 2022
At the end of period/year	<u>2,500,000</u>	<u>2,500,000</u>

b. Issued and fully paid-up ordinary shares of 50k each

in thousand of shares

	31 Dec 2022	30 Jun 2022
At the end of period/year	<u>2,190,383</u>	<u>2,190,383</u>

c. Share premium

Share premium represents the consideration received in excess of the nominal value of ordinary shares of the Company.

All shares rank equally with regard to the Company's residual assets. The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

d. Share-based payment reserve

The share-based payment reserve comprises the cumulative weighted average fair value of executive share option and executive share award plans granted by Diageo plc to Directors and employees of the Company which have not vested at year end.

20. Dividends

Dividend payable:

	31 Dec 2022	30 Jun 2022
	N'000	N'000
At 1 July	1,933,364	3,122,693
Declared dividend	15,639,334	1,007,576
Declared, but not yet paid dividend - Related parties	(9,074,536)	—
Unclaimed dividend transferred to retained earnings	(252,599)	(1,100,656)
Unclaimed dividend with Registrar	(30,126)	(18,673)
Payments during the period/year:		
Paid by the registrar	—	(70,000)
Cash and cash equivalents	(6,564,798)	(1,007,576)
At the end of period/year	<u>1,650,639</u>	<u>1,933,364</u>
	31 Dec 2022	30 Jun 2022
	N'000	N'000
Dividend payable is represented by		
Restricted cash	1,577,324	1,829,893
Balance with Registrar	73,315	103,471
At the end of period/year	<u>1,650,639</u>	<u>1,933,364</u>

21. Loans and borrowings

a. Loans and borrowings comprise:

	31 Dec 2022	30 Jun 2022
	N'000	N'000
Related party loans	10,856,100	9,411,892
Letters of credit	21,620,542	21,897,451
Total loans and borrowings	<u>32,476,642</u>	<u>31,309,343</u>

The total loans and borrowings is classified as follows:

	31 Dec 2022	30 Jun 2022
	N'000	N'000
<i>Current liabilities</i>		
Related party loans	10,856,100	9,411,892
Letters of credit loans	21,620,542	21,897,451
Total current loans and borrowings	<u>32,476,642</u>	<u>31,309,343</u>
Total loans and borrowings	<u>32,476,642</u>	<u>31,309,343</u>

b. Movement in loans and borrowings:

	31 Dec 2022	30 Jun 2022
	N'000	N'000
At 1 July	31,309,343	15,993,143
Proceeds from loans and borrowings obtained during the period/year	6,973,551	34,329,310
Finance expense:		
- Interest expense	400,478	688,073
- Interest expense - accrued	427,979	—
Withholding tax on interest expense	(23,626)	—
Exchange difference on letter of credits	1,971,726	(71,129)
Exchange difference on foreign currency loan	1,039,856	197,440
Interest paid	(400,478)	(688,073)
Loans repaid during the period/year	(9,222,187)	(19,139,420)
At the end of period/year	<u>32,476,642</u>	<u>31,309,344</u>

22. Leases

a. Right-of-use assets

Movement in right-of-use assets:

	Land & Building	Total
	N'000	N'000
Gross carrying value		
At 1 July 2021	866,660	866,660
Remeasurement of Right-of-use assets	43,936	43,936
Additions	33,333	33,333
Write-off	(99,665)	(99,665)
At 30 June 2022	<u>844,264</u>	<u>844,264</u>
At 1 July 2022	844,264	844,264
Remeasurement of Right-of-use assets	19,579	19,579
Write-off	(89,355)	(89,355)
At 31 December 2022	<u>774,488</u>	<u>774,488</u>
Accumulated depreciation		
At 1 July 2021	434,659	434,659
Depreciation charge	140,758	140,758
Write-off	(99,665)	(99,665)
At 30 June 2022	<u>475,752</u>	<u>475,752</u>
At 1 July 2022	475,752	475,752
Depreciation charge	69,575	69,575
Write-off	(89,355)	(89,355)
At 31 December 2022	<u>455,972</u>	<u>455,972</u>
Net book value at 30 June 2022	<u>368,512</u>	<u>368,512</u>
Net book value at 31 December 2022	<u>318,516</u>	<u>318,516</u>

The Company leases space for buildings. The leases of office space is mainly for more than 10 years with an option to renew.

b. Lease liabilities

Movement in lease liabilities:

	N'000
At 1 July 2021	477,700
Additions	33,333
Remeasurement	43,936
Interest expense on leases	3,477
Repayment of lease liabilities:	
- Repayment of the principal portion of the lease liabilities	(377,774)
- Interest paid on lease liabilities	(3,477)
At 30 June 2022	<u>177,195</u>
At 1 July 2022	177,195
Remeasurement	19,579
Interest expense on leases	11,015
Payment of lease liabilities:	
- Repayment of the principal portion of the lease liabilities	(7,989)
- Interest paid on lease liabilities	(11,015)
At 31 December 2022	<u>188,785</u>
Presented as:	
Current	55
Non-current	188,730
At 31 December 2022	<u>188,785</u>

23. Trade and other payables

Trade and other payables comprise:

	31 Dec 2022	30 Jun 2022
	N'000	N'000
Financial liabilities:		
Trade payables	45,899,507	33,698,961
Other payables and accrued expenses	14,102,937	16,517,998
Amount due to related parties	32,497,775	18,250,414
Total financial liabilities	<u>92,500,219</u>	<u>68,467,373</u>
Non-financial liabilities:		
Refund liabilities	85,656	92,341
Other payables and accrued expenses	1,963,332	1,123,275
Total non-financial liabilities	<u>2,048,988</u>	<u>1,215,616</u>
Total trade and other payables	<u>94,549,207</u>	<u>69,682,989</u>

24. Events after the reporting date

There are no significant subsequent events, which could have had a material effect on the financial statements of the Company as at 31 December 2022 that have not been adequately provided for or disclosed in the financial statements.

Shareholding Structure/Free Float Status

Description	31/12/2022	
	Unit	Percentage
Issued Share Capital	2,190,382,819	100 %
Substantial Shareholdings (5% and above)		
Guinness Overseas Limited	1,099,230,804	50.18 %
Atalantaf Limited	171,712,564	7.84 %
Total Substantial Shareholdings	1,270,943,368	58.02 %
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests		
Omobola Johnson (direct)	10,000	— %
M.O. Ayeni (direct)	75,000	— %
Total Directors' Shareholdings	85,000	— %
Other Influential Shareholdings		
Stanbic IBTC Nominees Limited	141,670,706	6.47 %
Mutima Opportunity Fund	118,502,111	5.41 %
Total Other Influential Shareholdings	260,172,817	11.88 %
Free Float in Units and Percentage	659,181,634	30.09 %
Free Float in Value	NGN 45,681,287,236.00	

Declaration:

(A) Guinness Nigeria Plc with a free float percentage of 30.09% as at 31 December 2022, is compliant with The Exchange's free float requirements for companies listed on the Main Board.
(B) Guinness Nigeria Plc with a free float value of ₦ 45,681,287,236.00 as at 31 December 2022, is compliant with The Exchange's free float requirements for companies listed on the Main Board.