



## **NOTIFICATION OF CHANGE IN DISTRIBUTION MODEL FOR IMPORTED DIAGEO INTERNATIONAL PREMIUM SPIRIT (IPS) BRANDS**

### **NOTICE TO THE NIGERIAN EXCHANGE & GENERAL PUBLIC**

**LAGOS, 5<sup>TH</sup> October 2023**

This announcement is made by Guinness Nigeria PLC (“Guinness Nigeria”) to the Nigerian Exchange Limited (“the Exchange”) and the Market pursuant to Rule 17.6 of the Issuers’ Rules (Rulebook of the Nigerian Exchange Limited, 2015). The Board of Guinness Nigeria (the “Board”) hereby issues this notification for the benefit of the stakeholders of Guinness Nigeria and the general public.

#### **Overview**

Guinness Nigeria today announces that, with effect from April 2024, it will no longer import or distribute certain Diageo international premium spirits products, including Johnnie Walker, Singleton, and Baileys and others imported under its 2016 Sale & Distribution Agreement with Diageo plc.

This move is in line with Guinness Nigeria’s long-term growth strategy, and it is also in alignment with Diageo plc’s decision to establish a new, wholly owned spirits-focussed business to manage the importation and distribution of its international premium spirits portfolio in West and Central Africa, with Nigeria as one of the hubs.

In the financial year ended 30 June 2023, the revenue related to Guinness Nigeria’s portfolio of imported Diageo international premium spirit products was NGN14billion, constituting approximately 6% of Guinness Nigeria’s total revenues.

Guinness Nigeria will continue to manufacture and distribute its full portfolio of non-alcoholic drinks, beer, ready-to-drink (RTDs) and locally produced spirits, including inter-alia Orijin, Captain Morgan Gold, Gordon’s Moringa, and Smirnoff XI Choco, fully utilising its asset base following the expansion of its production capacity in recent years as a foremost total beverage alcohol player.

There are no changes to Diageo plc’s shareholding in Guinness Nigeria, and Diageo remains a key shareholder of Guinness Nigeria.

Guinness Nigeria Headquarters, Cocoa Industries Road (Guinness Road), Ogba, Ikeja Lagos | Telephone +234 (01) 2709100 | [www.guinness-nigeria.com](http://www.guinness-nigeria.com) | RC 771

Directors: Dr (Mrs.) Omobola Johnson (Board Chair) | Mrs Joan Hodgins (Irish) (Vice Chair) | Mr. John Musunga (Kenyan) (Managing Director/CEO) | Mr Emmanuel Difom (Cameroonian) (Finance Director) | Ms. Ngozi Edozien | Mr Leo Breen (British) | Ms. Grainne Wafer (Irish) | Mrs. Oluyemisi Ayeni | Prof. Fabian Ajogwu, SAN | Mrs Tariye Gbadegesin

**A subsidiary of DIAGEO PLC**

**\* Confidential \***



## Benefits for Guinness Nigeria

- Guinness Nigeria will be better positioned to focus on its core business and its strength in the manufacturing, marketing and distribution of non-alcoholic drinks, beer, RTDs and its locally produced spirits, thus enhancing sustainability, growth, and value creation for all stakeholders of Guinness Nigeria.
- The change will enable the full utilisation of Guinness Nigeria's asset base and will accelerate innovation in local spirits products.
- This strategic change reduces the Company's foreign exchange requirements and mitigates the negative impacts of lingering foreign exchange scarcity and exchange rate volatility on the financial performance of the Company.

Guinness remains a strong Nigerian company committed to ensuring that its strategic and operational actions deliver value to our esteemed stakeholders by advancing Guinness Nigeria's performance and sustaining business profitability.

## FOR: GUINNESS NIGERIA PLC

By Order of the Board

**Rotimi Odusola**  
**Company Secretary/Corporate Relations Director**

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