BREAKING NEW GROUNDS

GUINNESS NIGERIA
RC 771

2024

ANNUAL REPORT & FINANCIAL STATEMENTS

THE ONLY
TOTAL BEVERAGE ALCOHOL COMPANY
IN NIGERIA

inside this report

Financial Highlights

	2024 ₦'000	2023 ₦'000	Change %
Results			
Revenue	299,489,774	229,440,861	31 %
Profit from operating activities	25,407,481	23,357,684	9 %
Loss for the year	(54,766,776)	(18,168,041)	(201) %
Total comprehensive loss for the year	(54,766,776)	(18,168,041)	(201) %
Declared dividend	—	15,639,333	(100) %
Total equity	2,161,466	56,424,616	(96) %
Data per 50 kobo share (in kobo)			
Basic and diluted loss per share	(2,500)	(829)	(202) %
Declared dividend per share (kobo)	—	714	(100) %
Net assets per share (kobo)	**99**	**2,576**	**(96) %**

Notice of Annual General Meeting

Notice is hereby given that the 74th Annual General Meeting of the Members of Guinness Nigeria Plc will be held at the Grand Banquet Hall, Civic Centre, Ozumba Mbadiwe Road, Victoria Island, Lagos State on Wednesday, 23rd October, 2024 at 11.00 o'clock in the forenoon to transact the following businesses:

AGENDA

Ordinary Business

1. To lay the Report of the Directors, the Financial Statements for the year ended 30th June 2024 and the Reports of the Independent Auditors and the Statutory Audit Committee thereon.

2. To elect/re-elect Directors.
   i. To elect the following two Directors who were appointed since the last Annual General Meeting:
   a. Mr. Adebayo Alli as an Executive Director of the Company
   b. Mrs. Vivien Shobo as an Independent Non-Executive Director of the Company.

   ii. To re-elect Directors retiring by rotation.

3. To disclose the remuneration of the Managers of the Company.

4. To authorise the Directors to fix the remuneration of the Independent Auditors.

5. To elect members of the Statutory Audit Committee.

Special Business By Ordinary Resolution

6. To fix the remuneration of the Directors:
   To consider and if thought fit, to pass the following as ordinary resolution:

   "That the remuneration of the Non-Executive Directors of Guinness Nigeria Plc for the year ending 30th June, 2025 be and is hereby fixed at N150,509,076 million (One Hundred & Fifty Million, Five Hundred and Nine Thousand, Seventy-six Naira) only as Directors remuneration'
   * Please note that there is no change from previous year

7. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

   "That, in compliance with the rules of the Nigerian Exchange Limited (NGX) governing transactions with related parties or interested persons, the general mandate granted to the Company in respect of all recurrent transactions entered into with a related party or interested person which are of a revenue or trading nature or are necessary for the Company's day to day operations including but not limited to the procurement of goods and services, financing and other incidental transactions on normal commercial terms be and is hereby renewed up to the date of the next Annual General Meeting".

8. To consider and, if thought fit, pass the following resolution as a special resolution of the Company:

   That the Articles of Association of the Company be amended by
   I) The insertion of a new 56 to read as follows:
   'Time & Place of Meeting
   The annual general meeting shall be held in such manner, at such time and place as the Directors shall appoint including virtually or by any other electronic means. '

   II) The insertion of a new 59.1 to read as follows:
   Notice of every General Meeting shall be given in any legal manner (including and without limitation to any mail, publication, physical or electronic means) to:'

NOTES:

1. PROXY
   Any member of the Company entitled to attend and vote at this meeting is also entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company.

A form of proxy is enclosed and if it is to be valid for the purposes of the Meeting, it must be completed, duly stamped and must be deposited at the office of the Registrar, Veritas Registrars Limited, Plot 89A, Ajose Adeogun Street, Victoria Island, Lagos not less than 48 hours before the time for holding the Meeting.

2. **CLOSURE OF REGISTER**
The Register of Members and Transfer Book will be closed from **23rd September 2024 to 27th September 2024**, both days inclusive for the purpose of updating the Register of Members.

3. **STATUTORY AUDIT COMMITTEE**
In accordance with Section 404(6) of the Companies and Allied Matters Act, 2020, a nomination (in writing) by any member or a Shareholder for appointment to the Statutory Audit Committee should reach the Company Secretary **at least 21 days before** the date of the Annual General Meeting.

4. **UNCLAIMED DIVIDENDS**
Shareholders are hereby informed that some dividends have been returned to the Registrars as unclaimed while some have neither been presented to the Banks for payment nor to the Registrars for revalidation. A list of such unclaimed dividends will be circulated with the Annual Reports and Financial Statements and is also available on our website, **www.guinness-nigeria.com.**

   Affected members are by this notice, advised to contact the Registrars at Veritas Registrars Limited, 89a Ajose Adeogun Street, Victoria Island, Lagos, P.O. Box 75315, Victoria Island or via email at **enquiry@veritasregistrars.com**.

5. **E-DIVIDEND**
Notice is hereby given to all shareholders to open bank accounts for the purpose of dividend payment. A detachable e-dividend payment mandate and change of address form is attached to the Annual Report to enable shareholders furnish particulars of their bank and CSCS Accounts numbers to the Registrar. The e-dividend payment mandate form is also available on our website - **www.guinness-nigeria.com** as well as the website of our Registrars **www.veritasregistrars.com**.

6. **GENERAL MANDATE CIRCULAR**
A circular on the resolution for shareholders' renewal of the general mandate for recurrent transactions with related parties which provides the rationale for the mandate sought is included in the Annual Report and Financial Statements. In line with Rule 20.8(c)(8) of the Nigerian Exchange Limited Rules Governing Related Party Transactions, interested parties shall ensure that their proxies, representatives and associates abstain from voting on the Resolution relating to the General Mandate.

7. **RIGHTS OF SECURITIES' HOLDERS TO ASK QUESTIONS**
Securities' Holders have a right to ask questions not only at the Meeting, but also in writing prior to the Meeting, and such questions must be submitted to the Company Secretary on or before 7th October 2024.

8. **PROFILE OF DIRECTORS STANDING FOR ELECTION/RE-ELECTION**
The profiles of the Directors standing for election/re-election are contained in the Annual Report.

Dated:
25th day of July, 2024

By Order of the Board

Abidemi Ademola
Company Secretary
FRC/2013/PRO/NB A/004/00000001646

REGISTERED OFFICE:
Guinness Nigeria Headquarters
Cocoa Industries Road (Guinness Road),
Ogba - Ikeja, Lagos
Private Mail Bag 21071, Ikeja, Lagos.
www.guinness-nigeria.com

* *Shareholders who are interested in accessing or downloading an electronic copy of the 2024 Annual Report should note that the Annual Report is accessible on www.guinness-nigeria.com and www.veritasregistrars.com .*
The Annual General Meeting will be streamed live for shareholders and relevant stakeholders too as observers. The link will be made available on the Guinness Nigeria website before the date of the meeting.

General Mandate Circular

In order to ensure that its day-to-day operations are carried out in the most efficient manner possible, the Company would like to continue to enter into transactions with related parties and interested persons that have been identified as necessary for such day-to-day operations. These transactions have been assessed to exceed 5% of the value of the net tangible assets or issued share capital of the Company.

In compliance with the provisions of the **amended Rule 20 of the Nigerian Exchange Ltd. (NGX) Governing Transactions with Related Parties or Interested Persons ("the Rules")**, the Company hereby seeks the approval of Shareholders for the grant of a general mandate in respect of such recurrent transactions. The relevant items for consideration of the share-holders are as stated below:

i. The transactions for which this general mandate is sought are those of a trading nature and/or those which are necessary for the day-to-day operations of the Company and include but are not limited to the following:

a. Technical Know-How and Support Services Agreements between the Company and its Parent Company, Diageo Plc and/or other companies or entities within the Diageo Group;

b. Trademark and Quality Control Agreement between the Company and its Parent Company, Diageo Plc and/ or other companies or entities within the Diageo Group;

c. Distribution Agreements between the Company and its Parent Company, Diageo Plc and/or other Companies or entities within the Diageo Group;

d. Production and Distribution Agreements between the Company and its Parent Company, Diageo Plc and/ or other Companies or entities within the Diageo Group;

e. Arrangements for the provision of specialist support to the Company by its Parent Company, Diageo Plc and/or other Companies or entities within the Diageo Group.

f. Contract manufacturing purchase or packaging arrangements between the Company and its Parent Company, Diageo Plc and/ or other companies or entities within the Diageo Group; and

g. Arrangements for the sale and/or purchase of raw materials or finished goods, technical equipment and spare parts by or to the Company by its Parent Company, Diageo Plc and/or other Companies or entities within the Diageo Group.

ii. The class of related Parties and interested Persons upon which the Company will be transacting include Shareholders, Employees and their Family Members, Companies or Entities within the Parent Company Diageo Plc Group and subsidiaries of the Company, etc.

iii. The rationale for the transac-tions is that they are necessary for the operations of the Company, the discharge of legal and contractual obligations currently binding on the Company, are of strategic importance to the continued operations of the Company, they guarantee the uninterrupted supply of goods and services necessary for the operation of the Company as a going concern, and is carried out on a transparent basis and remains effective and performs efficiently and effectively.

iv. The methods and procedures for determining transaction prices are based on the Company's transfer pricing policy and are, where applicable, subject to the approval of the National Office for Technology Acquisition and Promotion (NOTAP).

v. Messrs. Ernst & Young, has provided independent financial opinion that the methods and procedures in the Company's transfer pricing policy referred to in paragraph (iv) above, are sufficient to ensure that the transactions shall be carried out on normal commercial terms and shall not be prejudicial to the interests of the Company and its minority Shareholders.

vi. The Company shall obtain a fresh mandate from the shareholders if the methods or procedures in (iv) become inappropriate.

vii. Any person identified as an interested person as defined under the Rules shall abstain and undertake to ensure that its associates abstain from voting on the resolution approving the transaction.

Board of Directors & Corporate Information

Directors

Dr Omobola Johnson	Board Chair, Independent Non-Executive Director
J. Hodgins *(Irish)*	Vice-Chair, Non-Executive Director
A. Alli***	Managing Director/Chief Executive Officer
E. Difom *(Cameroonian)*	Finance & Strategy Director
N. Edozien (Ms.)	Independent Non-Executive Director
L. Breen *(British)*	Non-Executive Director
G. Wafer *(Irish)*	Non-Executive Director
F. Ajogwu, SAN OFR. (Prof.)	Independent Non-Executive Director
S.T. Dogonyaro OON*	Independent Non-Executive Director
J. Musunga *(Kenyan)***	Outgone Managing Director/Chief Executive Officer
T. Gbadegesin (Mrs)****	Independent Non-Executive Director
M.O. Ayeni (Mrs.) *****	Independent Non-Executive Director

**S. T Dogonyaro OON retired from the Board effective 31st August 2023*
***J. Musunga (Kenyan) resigned from the Board effective 31st December 2023*
****A. Alli was appointed to the Board effective 1st January 2024*
*****T. Gbadegesin (Mrs) resigned from the Board effective 24th February 2024*
******M.O. Ayeni (Mrs.) resigned from the Board effective 31st August 2024*

Company Secretary
Abidemi Ademola (Mrs.)
Guinness Nigeria H/quarters
Cocoa Industries Road
(Guinness Road),
Ogba - Ikeja, Lagos
P.M.B. 21071, Ikeja
Tel: (01) 2709100

Independent Auditor
PricewaterhouseCoopers
(PwC)
(Chartered Accountants)
Landmark Towers
Plot 5B, Water Corporation Rd.
Victoria Island, Lagos
www.pwc.com/ng/en

Registrars and Transfer Office
Veritas Registrars Limited
Plot 89A, Ajose Adeogun Street
Victoria Island, Lagos.
www.veritasregistrars.com

Bankers
Access Bank Limited
Citibank Nigeria Limited
First Bank of Nigeria Limited
First City Monument Bank Plc
Guaranty Trust Bank Limited
Stanbic IBTC Bank Limited
Standard Chartered Bank Nig. Ltd.
Union Bank of Nigeria Plc
United Bank for Africa Plc
Zenith Bank Plc

Registered Office
Guinness Nigeria H/quarters
Cocoa Industries Road
(Guinness Road),
Ogba - Ikeja, Lagos.
P.M.B. 21071, Ikeja, Lagos

Registration No.
RC 771

Head Office
Guinness Nigeria H/quarters,
Cocoa Industries Road (Guinness
Road), Ogba Ikeja, Lagos.
P.M.B. 21071 Ikeja
Tel: (01) 2709100
Fax: (01) 2709338
www.guinness-nigeria.com

Breweries

Ogba Brewery
Acme Road
Industrial Estate, Ogba
Tel: (01) 2709100
Fax: (01) 2709338

Benin Brewery
Benin-Asaba Road
Oregbeni Industrial Estate
Ikpoba Hill, Benin City
Tel: (01) 2709100
Fax: (01) 2709338

Aba Logistics Centre
Osisioma Industrial Layout
Aba, Abia State
Tel: (01) 2709100
Fax: (01) 2709338


NEW
INTRODUCING
DON
ROYALE
LIVE IT. DON IT.
DON
ROYALE
GIN
750ml | 40% Alc/Vol
DON
ROYALE
BRANDY FLAVOURED
SPIRIT DRINK
ULTRA SMOOTH BLEND
750ml Net | 35% Alc/Vol

Board Chair's Statement

INTRODUCTION

Distinguished Shareholders, representatives of regulatory agencies present, gentlemen of the press, esteemed Ladies and Gentlemen, it is with great pleasure that I welcome you, on behalf of the Board of Directors, to the 74th Annual General Meeting of Guinness Nigeria Plc holding in Lagos.

It is indeed my honor to present to you the audited Financial Statement and Report of the Directors for the financial year ended 30 June 2024. First, permit me to highlight some of the key issues within the Nigerian business environment that influenced and impacted our performance and business decisions in the period under review.

2023/24 Business Operating Environment

Following a change in administration in May 2023, the country has been pursuing bold reforms to re-establish macroeconomic conditions conducive for stability and growth. The government announced the termination of subsidy on petroleum products, and also implemented FX reforms that led to the unification of FX markets and to a market-reflective exchange rate. However, the positive impact of these policy changes have been slow in coming resulting in the country's inflation reaching a 24-year high of 31.7% in February 2024, which, in combination with sluggish growth, has regrettably increased the poverty rate in Nigeria. The National Bureau of Statistics (NBS) reported that all measures of inflation rate rose inJune 2024 with headline inflation at 34.2% from 22.8% in June 2023 and 34.0% in May, 2024.

To alleviate the inflationary effects of these reforms on the most vulnerable, the government has been implementing temporary palliative measures aimed at reaching millions of households. Concerted efforts are also being made to tighten monetary policy and refocus the Central Bank of Nigeria (CBN) to its core mandate of maintaining monetary policy and financial stability.

The cushioning of the initial shock from the reforms and the stabilization of macroeconomic conditions is envisaged to result in sustained but slow growth in the non-oil sector of the economy, while the oil sector is projected to stabilize. Faster growth rates will require more structural reforms. Exchange rate liberalization is projected to contribute to both fiscal and external balances while inflation is expected to gradually reduce on the back of tightening of the monetary policy. All of these tough calls may lead to an increase in the rate of poverty in 2024 and 2025 before stabilizing in 2026.

The challenges of the operating environment during the period under review were exacerbated by the severe rise in energy costs and high inflation, all leading to significant increase in the cost of production.

The implementation of the new fiscal and monetary policies of the Federal Government via the Ministry of Finance, Central Bank of Nigeria and other Government Agencies and the continuous naira devaluation severely impacted Nigerians in general with resultant effect on our industry.

Notwithstanding the tough macro-economic headwinds, Guinness Nigeria has remained resilient.

Our Performance

In the twelve months ended 30th June 2024, Guinness Nigeria delivered +31% year-on-year revenue growth, with a significant uptick to 41% in H2 from 20% in H1. This solid performance was

delivered amidst a challenging macro-economic environment, marked by declining consumer disposable income due to all-time high inflation, exacerbated by currency devaluation, fuel subsidy removal, and food insecurity.

The revenue growth was driven by an optimized category mix, innovative offerings, and targeted price increases to offset rising costs. The Non-Alcoholic Malt, Ready-to-Serve beverages, and International Premium Spirits categories showed resilience, recording notable growth versus previous year. The company intensified its trade and consumer engagement efforts by leveraging digital platforms, impactful activations, and captivating brand visibility.

Cost of sales increased by 37%, surpassing revenue growth due to inflation-driven rises in raw material prices, unprecedented utility cost hikes, and currency devaluation.

Operating profit rose by 9%, propelled by strong revenue performance and intensified productivity gains across the organization, despite severe inflationary pressures on volumes and costs.

Regrettably, the continued currency devaluation saw the spot rate move by -103%, from N759.03/$1 at the start of the year to N1,540/$1 by the end of the financial year, resulting in a substantial unrealized forex loss and a loss before tax of -N73.68billion.

Despite the macro-economic challenges, the Board remains confident in the company's well- crafted strategy, and is committed to continuously evaluating this strategy against the evolving business landscape to deliver returns to its shareholders and create long-term value for all stakeholders.

Our Business

Within the year, Guinness Nigeria proactively realigned and repositioned itself to effectively adapt to the changing landscape of the FMCG sector in Nigeria. We continue to place a premium on the constant delivery of quality products to our consumers in relentless pursuit of our aim to be one of the **best performing, most respected consumer products companies in Nigeria**.

Innovation

In furtherance of our strategy to consistently improve the consumer experience with our brands, we are committed to the implementation of our brand revitalization program through the delivery of innovative products.

In 2024, Gordon's Gin and Tonic, a Ready To Serve (RTS) Gordon's brand variant, was launched in cans format; we also unveiled a new Mainstream Spirits (MSS) product, Don Royale in Gin and Brandy variants in attractive glass bottle packaging.

Sustainability and Corporate Social Responsibility

Our Sustainability and Environmental Social and Governance agenda, under the **Diageo Society 2030: Spirit of Progress** plan, our 10-year action plan towards the achievement of the United Nations Sustainable Development Goals (SDGs) is fully focused on the sustainable management of the most material issues within our organisation, the environment, our investors, customers, consumers, and the society at large. Society 2030: Spirit of Progress is underpinned by 3 major pillars:

- Promoting Positive Drinking,
- Championing Inclusion & Diversity and
- Pioneering Grain to Glass Sustainability.

Guinness Nigeria continues to advocate vigorously for responsible consumption of alcoholic beverages and uses various programs to convey this message to consumers in general while specifically targeting the most vulnerable groups. The promoting positive drinking pillar of our Spirit of Progress agenda continues to receive amplification through the successful implementation of our programs on **SMASHED**, **Wrong Side of The Road** and **DrinkiQ** initiatives.

On Diversity and Inclusion, I am indeed pleased by the impressive Guinness Eye Hospital project. This included the complete re-roofing,

comprehensive renovation, re-furnishing and equipping of the Guinness Eye Centre at the Lagos University Teaching Hospital (LUTH).

An additional 500 women were empowered under our nano-prenuership programme – **Plan W**. Plan W now has a total of 1400 women, including People Living With Disabilities (PLWD), (also women) empowered to date across Lagos, Oyo, Kaduna, Imo, Edo, Cross River, Osun, Ogun, Enugu states. These among other initiatives demonstrate our commitment to improving diversity and inclusion across all facets of our business.

Our **Water of Life** programme continues to deliver on its key focus of providing potable water as well as health and sanitation enlightenment to various communities across the nation. Three (3) solar powered boreholes with a combined annual yield of over 46 million litres of water were commissioned in Oyo state during this financial year, serving over 11,500 residents across 3 communities in Ibarapa East LG.

Our commitments to the principles of good environment, social and governance practices remain strong, and we are making significant progress in enhancing our diversity and inclusion credentials in all aspects of our corporate endeavours including our employee base, third party contractors and supply chain, as well as in the leadership of the organization as reflected in the composition of our Management team and Board.

We remain focused and committed to amplifying our diversity and inclusion initiatives, and in that regard Disability Inclusion Guidelines have now been created for employees, in consultation with **Disability:IN**, the leading non-profit resource for business disability inclusion worldwide. The Guidelines provide practical tips and advice for improving digital and physical accessibility across Guinness Nigeria.

Our Response to Business Transformation

In the light of the recent announcement on the sale of Diageo's majority shareholding in Guinness Nigeria Plc, I wish to highlight that the strategic vision and future direction of our company remains intact.

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Guinness Nigeria Plc is confident that this new chapter will fortify its market positioning and unlock further potential for growth, with positive benefits to all our stakeholders.

Board and Management Changes

I would like to take this opportunity to inform our distinguished shareholders about the changes on the Board of the Company which took place since the last Annual General Meeting. It is with mixed feelings that I inform you of the exit of Mr. John Musunga from the board of the Company effective from 31st December, 2023. The Board thanks Mr Musunga for his brief but impactful stint as Managing Director of Guinness Nigeria Plc from 1st November, 2022 to 31st December, 2023. In his time as Managing Director, the business delivered stellar performance under difficult conditions, reshaped its strategy while also achieving high employee engagement. The Board wishes Mr. Musunga all the very best in his new role.

In anticipation of the approval of our distinguished shareholders, Mr. Adebayo Alli was appointed as Managing Director/Chief Executive Officer of Guinness Nigeria Plc and a member of the Board of the Company effective 1st of January, 2024. Mr. Alli joined Guinness Nigeria in 2005 as a Packaging Operations Support Manager and has worked in several senior cross-functional leadership roles within and outside Nigeria. He has a proven track record of transforming business units, optimizing end to end supply chain systems, leading commercial organizations to break through barriers and delivering results through a diverse and inclusive team in complex, uncertain and disruptive environments.

During the course of the year, the Board also received the notice of the resignation of Mrs 'Yemisi Ayeni, an independent non-executive director, from the Board of Guinness Nigeria Plc with effect from 31st August, 2024. Mrs Ayeni, a thoroughbred professional and leader, made significant impact on the Board over the course of her two terms and will be sorely missed by the Board and the Company. Our deep appreciation and best wishes go to Mrs Ayeni.

With effect from 1 September, 2024, the Board welcomed Mrs Vivien Shobo onto the Board as an Independent non-executive director.

The Board will present Mrs Shobo for approval of the Shareholders at this Annual General Meeting.

Conclusion

I would like to thank the Management team for the impressive performance delivered in spite of the challenges faced in the 2024 financial year. Our employees equally deserve due recognition for their contributions to the impressive performance this year.

My special appreciation goes to all our distinguished Shareholders for their continuous faith in our Company and for their support in the face of recent challenges.

The Board of Directors remains optimistic and even more determined to take on and surmount current and future challenges whilst leveraging the opportunities for growth and improved profitability to win with all stakeholders into the future.

Thank you.

O. Johnson

Dr Omobola Johnson
Board Chair
Guinness Nigeria Plc


GUINNESS
X
SEVERENATURE
BLACK
SHINES
BRIGHTEST

Directors' Report

The Directors are pleased to present to Members their report together with the audited financial statements of Guinness Nigeria Plc (the Company) for the year ended 30 June 2024.

Legal Form and Principal Activities

Guinness Nigeria Plc, a public limited liability company quoted on the Nigerian Exchange was incorporated 29 April 1950 as a trading company importing Guinness Stout from Dublin. The Company has since transformed into a manufacturing operation and its principal activities continue to be brewing, packaging, marketing, and sale of Guinness Foreign Extra Stout, Guinness Smooth, Malta Guinness, Smirnoff Ice, Smirnoff Pineapple, Dubic Malt, Orijin Spirit Mixed Drink, Orijin Bitters and Orijin Herbal Gin, Smirnoff Ice Double Black with Guarana, Baileys Delight, Gordons Moringa, Gordons Pineapple and Orange, Captain Morgan among others.

Following the approval of the Board of Directors ("the Board"), Guinness Nigeria Plc acquired the rights to import, market, distribute and sell in Nigeria the International Premium Spirit brands of Diageo plc ("Diageo"), its parent company with effect from 1st January 2016. The Company then took on the exclusive distribution rights to Diageo's iconic brands in Nigeria including Baileys, Smirnoff, Gordons, Captain Morgan, Tanqueray, Ciroc, Singleton and the Johnnie Walker range.

Guinness Nigeria Plc also acquired the right to manufacture locally some of the most successful mainstream spirits brands in Nigeria that are part of Diageo brands including Baileys Delight, Smirnoff Vodka with Chocolate and Gordons Gin with Moringa. Our relationship with Diageo has also enabled us to acquire the right to import, market, sell as well as the right to produce locally the world famous MrDowell's whiskey and Royal Challenge whiskey in Nigeria. More recently in the past financial year, the Company launched recent variants of its iconic brands including Don Royale and the highly acclaimed Diageo brand - Don Julio brand within the Nigerian market. This exciting diverse portfolio of fantastic brands makes Guinness Nigeria Plc the only Total Beverage Alcohol (TBA) business in Nigeria with the experience and unique capacity to cater for the needs of all consumer tastes and segments while delivering great value to its shareholders.

Following recent announcements made by Guinness Nigeria Plc during the financial year 2024, with effect from completion during its 2025 financial year, Guinness Nigeria Plc will no longer distribute Diageo's International Premium Brands following the termination of the exclusive Distribution arrangement between Diageo Brand owners and Guinness Nigeria. These International premium brands would be distributed going forward via a different model. Guinness Nigeria Plc is however fully poised to continue to innovate and launch new products into the Nigerian market in line with its total alcohol beverage strategy.

Operating Results

The following is a summary of the Company's operating results:

	2024 ₦'000	2023 ₦'000
Revenue	299,489,774	229,440,861
Profit from operating activities	25,407,481	23,357,684
Net finance costs	(99,087,350)	(45,496,283)
Loss before income tax	(73,679,869)	(22,138,599)
Tax credit	18,913,093	3,970,558
Loss for the year	(54,766,776)	(18,168,041)
Other comprehensive loss, net of tax	—	—
Total comprehensive loss for the year	**(54,766,776)**	**(18,168,041)**

Dividend

No dividend has been recommended by the Board of Directors for approval at the forthcoming Annual General Meeting (2023: Nil).

Board Changes

There have been some changes in the Board composition since the last Annual General Meeting held on the 24th October 2023. However, the Board remains adequately resourced and well-structured to provide the requisite strategic direction for Management and general oversight for the company.

In the 2024 financial year, Mr. John Musunga resigned from the Board of Guinness Nigeria Plc as the Managing Director/ Chief Executive of the Company effective 31st December 2023 following Mr. Musunga's move into another role within Diageo as the first Managing Director for Southern, West and Central Africa (SWC) region. Similarly, Mr. Adebayo Alli, the erstwhile Commercial Director of the Company was appointed as the Managing Director/Chief Executive Officer of Guinness Nigeria Plc and a member of the Board of the Company with effect from 1st January 2024.

Similarly, during the year, Mrs. Tariye Gbadegesin was appointed as the Chief Executive Officer of the Climate Investments Funds (CIF) with effect from March 2024 and in view of her new role's requirements around non-participation on external corporate boards, she consequently resigned from the Board of Guinness Nigeria effective 24th of February 2024 having provided innovative and strategic contributions to the Board of our dear Company.

Similarly, Mrs. 'Yemisi Ayeni also resigned from the Board of the Company as an Independent non-executive director with effect from 31st August 2024 having also provided distinguished and excellent service to our great company for six (6) years .

At the Board meeting held on 25th July 2024, the Board approved the appointment of Mrs. Vivien Shobo as an Independent non-executive director of the Company with effect from 1st September 2024.
The Board is currently in the process of filling the above casual vacancies subject to the ratification of Members in general meeting at the appropriate time.

In accordance with the Articles of Association of the Company and the provisions of the Companies and Allied Matters Act Cap C20 2020, Mr. Adebayo Alli and Mrs. Vivien Shobo are hereby presented to the Members for confirmation of their appointments as Managing Director and Independent Non executive Director of the Company effective 1st January 2024 and 1st September 2024 respectively.

Directors Retiring by Rotation

In accordance with Article 95(1) of the Company's Articles of Association, the Directors to retire by rotation are Ms. Joan Hodgins, Mrs. Grainne Wafer and Prof. Fabian Ajogwu , SAN OFR. and being eligible hereby offer themselves for re- election.

Record of Directors' Attendance

The register showing Directors' attendance at Board Meetings will be made available for inspection at the Annual General Meeting as required by Section 284(2) of the Companies and Allied Matters Act, 2020.

Directors and their interests

The interests of Directors who served on the Board in the issued share capital of the Company during the financial year as recorded in the Register of Members and/or notified by the Directors for the purpose of Section 301 of the Companies and Allied Matters Act 2020 and in compliance with the listing requirements of the Nigerian Exchange Limited are as follows:

Directors	As at 30 June 2024 No. of Shares	As at 30 June 2023 No. of Shares	As at 30 June 2024 Indirect shares	As at 30 June 2023 Indirect shares
O. Johnson (Dr.)	10,000	10,000	Nil	Nil
J. Hodgins (Ms.)	Nil	Nil	Nil	Nil
J. Musunga	Nil	Nil	Nil	Nil
A. Alli	Nil	Nil	Nil	Nil
T. Gbadegesin (Mrs.)	Nil	Nil	Nil	Nil
E. Difom	Nil	Nil	Nil	Nil
N. Edozien (Ms.)	Nil	Nil	Nil	Nil
L. Breen	Nil	Nil	Nil	Nil
G. Wafer (Ms.)	Nil	Nil	Nil	Nil
M. O. Ayeni (Mrs.)	75,000	75,000	Nil	Nil
F. Ajogwu, SAN (Prof.)	Nil	Nil	Nil	Nil
S. T. Dogonyaro OON	Nil	Nil	Nil	Nil

Directors' Interest in Contracts

None of the Directors has notified the Company for the purpose of Section 303 of the Companies and Allied Matters Act 2020 of any declarable interest in contracts in which the Company is involved.

Shareholding and Substantial Shareholder

The Share Capital of the Company stands at N1,095,191,409.50 divided into 2,190,382,819 ordinary shares of 50 kobo each.

As of 30th June 2024, the issued and fully paid-up share capital of the Company is 2,190,382,819 ordinary shares of 50 kobo each (2023: 2,190,382,819 ordinary shares of 50 kobo each).

The Register of Members shows that the following shareholders held 5% and above of the issued share capital:

- Guinness Overseas Limited (a subsidiary of Diageo plc) with 1,099,230,804 ordinary shares (2023: 1,099,230,804 ordinary shares) constituting 50.18% shareholding (2023: 50.18% shareholding).
- Atalantaf Limited (a subsidiary of Diageo plc) with 171,712,564 ordinary shares (2023: 171,712,564 shares) constituting 7.84% (2023: 7.84%).
- Stanbic IBTC Nominees Nigeria Limited with 170,089,934 ordinary shares (2023: 140,075,979 shares) constituting 7.77% (2023: 6.40%).
- Mutima Opportunity Fund LP with 122,857,207 ordinary shares (2023: 122,857,111 shares) constituting 5.61% (2023: 5.61%).

Diageo Plc is the parent company of Guinness Overseas Limited and Atalantaf Limited and Mr, Breen, Ms. Hodgins and Mrs. Wafer who served as non-executive directors of Guinness Nigeria Plc during the year are employees of Diageo Plc.

Corporate Governance Report

Good corporate governance practices constitute the hallmark of our corporate culture in Guinness Nigeria Plc. Our actions and interactions with our consumers, customers, employees, government officials, suppliers, shareholders, regulators and other stakeholders reflect our values, beliefs, and principles.

Our business is largely self-regulated, and we pride ourselves as leading our peers in the industry and in Nigeria in this regard. In addition to self-regulation at standards often above the minimum legal or regulatory requirements, we are committed to conducting business in line with best practice, in accordance with applicable laws and regulations in Nigeria, in line with the requirements of the Nigerian Exchange Limited (NGX) as well as in compliance with the Code of Corporate Governance in Nigeria.

To further sustain our commitment to ethical business standards, values of integrity, honesty, and fairness, as well as good corporate governance, Guinness Nigeria Plc continues to maintain its corporate governance obligations having been successfully re-certified under the Corporate Governance Rating System (CGRS) implemented by the Nigerian Exchange.

The Company complied with other corporate governance requirements during the year under review as set out below:

1. Board of Directors

The Board is responsible for the oversight of the business, long-term strategy and objectives, and the oversight of the Company's risks while evaluating and directing implementation of Company controls and procedures including maintaining a sound system of internal controls to safeguard shareholders' investments and the Company's assets. There are currently four (4) standard scheduled Board meetings during each financial year, and additionally the Board meets whenever required to ensure the discharge of its functions. In the past financial year, the Board met a total of seven (7) times to deliberate on matters related to the Company with active participation from all Directors. In line with its responsibilities, the Board also holds an annual Strategy session to consider the strategic goals of the business and ensure that the company's resources are deployed efficiently towards actualizing these goals.

2. Composition of the Board of Directors and Procedure for Board Appointments

During the financial year 2024, the Board was composed of the Board Chair, 8 Non-Executive directors and 3[1] Executive Directors. Five (5) of the non-executive directors are independent as defined under the provisions of the Code of Corporate Governance 2018. The Board is independent of Management of Guinness Nigeria Plc and its parent company Diageo, and the members of the Board are free from any constraints, which may materially affect the exercise of their judgement as directors of the Company.

All directors are selected and appointed on the basis of core competencies that strengthens the capacity of the Board including experience in marketing, general operations, strategy, law, corporate governance and compliance, business consulting, human resources, technology, media or public relations, finance or accounting, retail, consumer products, international business/markets, diplomacy, public affairs and government relations, logistics, product design, merchandising, general management or other relevant experience. In addition to having one or more of these core competencies, candidates for appointment as Directors are identified and considered based on their knowledge, experience, integrity, diversity, leadership, reputation, and ability to understand and contribute to the enhancement of the Company's business.

[1] Mr. John Musunga served as the Managing Director/CEO of the Company until his resignation effective on 31st Dec 2023.

3. Separation of the positions of Chairman and Managing Director

In accordance with good corporate governance practices, the positions of the Managing Director and that of the Chair of the Board are occupied by different persons; and the Managing Director is responsible for implementation of the Company's business strategy set by the Board and for the day-to-day management of the business.

4. Schedule of Matters Reserved for the Board

The following are the matters reserved for the Board of Directors of the Company:

i. Strategy and management

- Input into the development of the long-term objectives and overall commercial strategy for the Company. • Oversight of the Company's operations.
- Review of performance in the light of the Company's strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- Extension of the Company's activities into new business or geographic areas.
- Any decision to cease to operate all or any material part of the Company's business.

ii. Structure and capital

- Changes relating to the Company's capital structure including reduction of capital, share issues (except under employee share plans) and share buy backs.
- Major changes to the Company's corporate structure.
- Changes to the Company's management and control structure.
- Any changes to the Company's listing or its status as a publicly listed company.

iii. Financial reporting and controls

- Approval of preliminary announcements of interim and final results.
- Approval of the annual report and accounts, including the corporate governance statement.
- Approval of the dividend policy.
- Declaration of the interim dividend and recommendation of the final dividend.
- Approval of any significant changes in accounting policies or practices.
- Approval of treasury policies

including foreign currency exposure.

iv. Internal controls
Ensuring maintenance of a sound system of internal control and risk management including:

- Receiving reports from the Finance, Audit and Risk Committee and reviewing the effectiveness of the Company's risk and control processes to support its strategy and objectives.
- Undertaking an annual assessment of these processes through the Finance, Audit and Risk Committee.
- Approving an appropriate statement for inclusion in the annual report.

v. Contracts
- Major capital projects.
- Contracts which are material strategically or by reason of size, entered into by the Company in the ordinary course of business, for example bank borrowings and acquisitions or disposals of fixed assets of amounts above the threshold reserved for executive directors under the Schedule of Limits and Authorities.
- Contracts of the Company (or any subsidiary) not in the ordinary course of business, for example loans and repayments; foreign currency transactions and major acquisitions or disposals of amounts above the thresholds reserved for Executive directors under the Schedule of Limits and Authorities.
- Major investments including the acquisition or disposal of interests of more than five (5) percent in the voting shares of any company or the making of any takeover offer.

vi. Communication
- Approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
- Approval of all circulars and listing particulars (approval of routine documents such as periodic circulars about scrip dividend procedures or exercise of conversion rights could be delegated to a committee).
- Approval of press releases concerning matters decided by the Board.

vii. Board membership and other appointments
- Changes to the structure, size and composition of the Board, following recommendations from the Nominations, Governance and Remuneration Committee.
- Ensuring adequate succession planning for the Board and senior management following recommendations from the Nominations, Governance and Remuneration Committee.
- Appointments to the Board, following recommendations by the Nominations, Governance and Remuneration Committee.
- Approval of appointment of the Chairman of the Board following recommendations by the Nominations, Governance and Remuneration Committee.
- Appointment of non-executive directors including independent directors following recommendations by the Nominations, Governance and Remuneration Committee.
- Membership and Chairmanship of Board Committees.
- Continuation in office of Directors at the end of their term of office, when they are due to be re-elected by shareholders at the Annual General Meeting and otherwise as appropriate.
- Continuation in office of non-executive directors at any time.
- Appointment or removal of the company secretary following recommendations by the Nominations, Governance and Remuneration Committee.
- Appointment, reappointment or removal of the external auditor to be put to shareholders for approval, following the recommendation of the Finance, Audit and Risk Committee.

viii. Remuneration

- Approval of the remuneration policy for the directors, company secretary and other senior executives following recommendations by the Nominations, Governance and Remuneration Committee.
- Approval of the remuneration of the non-executive directors, subject to the Articles of Association and shareholder approval as appropriate following recommendations by the Nominations, Governance and Remuneration Committee.
- The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval following recommendations by the Nominations, Governance and Remuneration Committee.

ix. Delegation of authority

- The division of responsibilities between the Board Chair and the Chief Executive Officer, which should be in writing.
- Approval of terms of reference of Board Committees.
- Receiving reports from Board Committees on their activities.

x. Corporate governance matters

- Undertaking a formal and rigorous review of its own performance, that of its Committees and individual Directors.
- Determining the independence of Directors.
- Considering the balance of interests between shareholders, employees, customers and the community.
- Review of the Company's overall corporate governance arrangements.
- Receiving reports on the views of the Company's shareholders.

5. Induction and Training

The Company has in place a formal induction program for newly appointed Directors. As part of this induction, each new Director is provided with core materials and mandated to complete a series of introductory meetings to acquire requisite knowledge about the Company's business and familiarity with the Board Chair and senior management team. Newly appointed Directors are also conducted round the production facilities of the Company to gain first-hand knowledge of the production process and the emphasis placed on health and safety by the Company.

The Nominations, Governance and Remuneration Committee is responsible for evolving a continuing education programme to ensure existing Directors stay current with the Company's business and objectives as well as relevant industry information and other external factors such as corporate governance requirements and best practices. As part of the programme, Directors go through the annual Board training session in April which covers topical issues affecting the Company's operations and the directors' roles on the Board. The Board is also encouraged to attend appropriate continuing capacity enhancement programmes which would be beneficial to the company and the Directors' service on the Board.

6. Performance Evaluation process

The Board established a system to undertake a formal and effective annual evaluation of its performance and that of its Committees, the Board Chair, and the individual directors. The assessment is conducted to ensure the Board, Committees, and individual directors are effective and productive and to identify opportunities for improvement especially in the light of the constantly changing dynamics of the business world and the industry in which the Company operates.

In 2024, the firm of DCSL Corporate Services Ltd was engaged as external Consultants to carry out the Performance Evaluation of the Board and Corporate Governance audit of the Company for the year ended 30th June 2024.

The review of the Consultants showed that the Board is committed to ensuring the implementation of best corporate governance practices and adherence to the principles enshrined in the Nigerian Code of Corporate Governance, 2018 ("NCCG") and the Securities and Exchange Commission (SEC) Corporate Governance Guidelines for Public Companies in Nigeria issued in 2020 ("SCGG") as well as globally accepted best practices. The Board is committed to ensuring observance of the highest ethical standards and transparency in the conduct of the Company's business.

Similarly, in line with the Financial Reporting Council (FRC) Code of Corporate Governance, the Company engaged the firm of Andersen to conduct the Quality Assurance Review (QAR) of its Internal Audit Function in 2024. The external assessment of the internal audit function assessed the positioning of the Internal Audit Function within the company, the skills and competencies of its personnel, and the design and implementation of its processes. The Consultants confirmed that Internal Audit generally conforms with the IIA Standards promulgated by the Institute of Internal Auditors (IIA).

7. Attendance at Board Meetings

The Board held four (4) standard quarterly meetings and three (3) exceptional meetings during the 2024 financial year. The following table shows the membership and attendance of Directors at Board meetings during the 2024 financial year:

	Directors	26/07/23 Quarterly Board Meeting	04/10/23 Exceptional Board Meeting	24/10/23 Quarterly Board Meeting	27/11/23 Exceptional Board Meeting	24/01/24 Quarterly Board Meeting	24/04/24 Quarterly Board Meeting	10/06/24 Exceptional Board Meeting	Total No. of Meetings Attended
1	O. Johnson(Dr.)	P	P	P	P	P	P	P	7
2	J. Hodgins(Ms.)	P	P	P	P	P	P	P	7
3	*J. Musunga	P	P	P	P	N/A	N/A	N/A	4
4	**A. Alli	N/A	N/A	N/A	N/A	P	P	P	3
5	***T. Gbadegesin	P	P	P	P	P	N/A	N/A	5
6	N. Edozien(Ms.)	P	P	P	P	P	P	P	7
7	L. Breen	P	P	P	P	P	P	P	7
8	G. Wafer(Mrs.)	P	P	P	P	P	P	P	7
9	****M. O. Ayeni (Mrs.)	P	P	P	P	P	P	P	7
10	F. Ajogwu, SAN (Prof.)	P	P	P	A	P	P	P	6
11	E. Difom	P	P	P	A	P	P	P	6
12	*****S.T. Dogonyaro OON	P	N/A	N/A	N/A	N/A	N/A	N/A	1

P – *Present* **N/A** – *Not Applicable as Director did not hold this office at the time*

** J. Musunga (Kenyan) resigned from the Board effective 31st December 2023*
*** A. Alli was appointed to the Board effective 1st January 2024*
**** T. Gbadegesin resigned from the Board effective 24th February 2024*
***** M. O Ayeni resigned from the Board effective 31st August 2024*
****** S. T Dogonyaro OON retired from the Board effective 31st August 2023*

8. Board Committees

During the financial year under review the Board in line with its responsibilities for the performance and affairs of the Company maintained its established Board Committees in line with the Nigerian Code of Corporate Governance 2018. As at the date of this report, the Company has in place, the following Board Committees:

A. Nominations, Governance and Remuneration Committee

Among other responsibilities, the Nominations, Governance and Remuneration Committee is charged with instituting a transparent procedure for the appointment of new directors to the Board and making recommendations to the Board regarding the tenures, re-appointment, and remuneration of Non-Executive Directors on the Board.

The Committee carried out its responsibilities within the year in line with the provisions of the Nigerian Code of Corporate Governance of 2018. The Committee provides regular written reports highlighting its deliberations and recommendations to the Board on a quarterly basis.

The Committee comprised of the following members during the financial year:

Ms. Joan Hodgins - Committee Chair
S. T. Dogonyaro OON - Former Vice Chair
Ms. Grainne Wafer - Member
F. Ajogwu, SAN (Prof.) - Member

The Committee met five (5) times during the year. The following table shows the attendance of the members of the Committee at the meetings:

	Directors	19/07/2023 Quarterly Committee Meeting	17/10/2023 Quarterly Committee Meeting	18/01/2024 Quarterly Committee Meeting	18/04/2024 Quarterly Committee Meeting	04/06/2024 Exceptional Committee Meeting	Total No. of Meetings Attended
1	J. Hodgins	P	P	P	P	P	5
2	S. T. Dogonyaro OON	P	N/A	N/A	N/A	N/A	1
3	G. Wafer	P	P	P	P	P	5
4	F. Ajogwu,SAN(Prof.)	P	P	P	P	P	5

P – *Present* **N/A** – *Not Applicable as Director did not hold this office at the time*

B. Finance, Audit and Risk Committee

The Finance, Audit and Risk Committee continued to discharge its role and responsibilities in line with the provisions of the Code of Corporate Governance of 2018. The Committee is responsible for monitoring the integrity of the financial statements of the Company and reviewing the effectiveness of the Company's internal control and risk management system. It performs the Board audit functions among other responsibilities. The Committee comprises of four (4) Non-Executive Directors who are mostly independent and with a wide range of financial, commercial, and international experience. Members of the Committee as reconstituted and who served during the year are:

M. O. Ayeni (Mrs.) - Committee Chair
N. Edozien (Ms.) - Member

Prof. F. Ajogwu - Member
L. Breen - Member

The Committee met five (5) times during the year. The following table shows the attendance of the members of the Committee at the meetings:

Directors	25/07/2023 Quarterly Committee Meeting	20/10/2023 Quarterly Committee Meeting	23/01/2024 Quarterly Committee Meeting	14/03/2024 Exceptional Committee Meeting	23/04/2024 Quarterly Committee Meeting	Total No. of Meetings Attended
1 M. O. Ayeni (Mrs.)	P	P	P	P	P	5
2 N. Edozien (Ms.)	P	P	P	P	P	5
3 Prof. F. Ajogwu	P	P	P	P	P	5
4 L. Breen	P	P	P	P	P	5

P – *Present* | **N/A** – *Not Applicable as Director did not hold this office at the time*

Each of the Committee's meetings was attended by the Finance and Strategy Director, the Financial Controller, the Head, Business Integrity, the Legal Director and the Head of Corporate Security and Brand Protection; and each provided updates and assurances to the Committee on the adequacy of the actions being taken to mitigate any risks identified in the areas of the business they are responsible for. The engagement partner of the external auditors, PwC, was also present with other key members of his team. Other senior management members were invited from time to time to brief the Committee on agenda items related to their areas of responsibilities.

During the year, the Committee reviewed the Company's quarterly financial reports, the annual report and accounts and the management letter before recommending their approval to the Board. The Committee also reviewed the critical accounting policies, judgements and estimates applied in the preparation of the financial statements.

Similarly, the Committee reviewed reports on significant tax risks, management of the risk of fraud, risks relating to elections in certain parts of the country held during the financial year, other current and emerging risk issues affecting the Company's operations, as well as the related controls and assurance processes designed to manage and mitigate such risks. The focus of the Committee also included the risks posed to the Company by the general elections and security situation across the company's operational sites, the significant risk of lack of access to adequate foreign exchange required for the operations of the Company as well as the inflationary trends within the country's macroeconomy. This is in addition to receiving regular updates on the Company's controls and governance environment.

The Committee reviews the plans of both the internal and external auditors and approves the plans at the beginning of the financial year. The Board was kept updated and informed at its regular quarterly meetings of the activities of the Finance Audit and Risk Committee through the minutes of the Committee meeting and verbal updates provided to the Board by the chair of the Committee which is included as a regular item on the agenda of Board meetings.

The Committee also reviewed significant developments in the Company such as the separation of the International Premium Spirits business from Guinness Nigeria Plc and the proposed sale of Diageo's shares to Tolaram subject to regulatory approvals.

C. Statutory Audit Committee

The Company has a Statutory Audit Committee set up in accordance with the provisions of the Companies and Allied Matters Act. The Committee consists of five members comprising of three elected members representing shareholders and two non – executive directors. The membership of the Statutory Audit Committee is in accordance with the provisions of applicable extant laws from time to time. The Committee evaluates annually, the independence and performance of external auditors, receives the interim and final audit presentation from the external auditors and reviews with management and the external auditors the annual audited financial statements before its submission to the Board.

During the year, the Committee reviewed and approved the audit plan and scope of the external auditors for the financial year and reviewed the quarterly and half-yearly financial results before presentation to the Board. The Committee also makes recommendations to the Board on the appointment and remuneration of external auditors and received reports from Management on the accounting system and internal controls framework of the Company. The members of the Committee also periodically participate in training sessions specifically targeted at improving their performance and oversight capacity.

The members of the Statutory Audit Committee during the 2024 financial year are as follows:

M. O. Igbrude	- Chairman/Shareholder
G. O. Ibhade	- Shareholder
Mazi Okwuadigbo	- Shareholder *(ceased to be a member w.e.f 24th October 2023.)*
J. O. Adewuyi (Mrs.)	- Shareholder *(Appointed a member w.e.f 24th October 2023.)*
N. Edozien (Ms.)	- Independent Non - Executive Director
T. Gbadegesin (Mrs.)	- Independent Non-Executive Director *(ceased to be a member w.e.f 24th Feb. 2024.)*
M. O. Ayeni (Mrs.)	- Independent Non-Executive Director *(Appointed a member w.e.f 27th March 2024.)*

The Committee met four (4) times during the year. The following table shows the attendance of the members of the Committee at the meetings:

	Members	25/07/2023 Quarterly Committee Meeting	20/10/2023 Quarterly Committee Meeting	23/01/2024 Quarterly Committee Meeting	23/04/2024 Quarterly Committee Meeting	Total No. of Meetings Attended
1	M. O. Igbrude	P	P	P	P	4
2	G. O. Ibhade	P	P	P	P	4
3	Mazi N. Okwuadigbo	P	P	N/A	N/A	2
4	J. O. Adewuyi	N/A	N/A	P	P	2
5	T. Gbadegesin (Mrs.)	P	P	A	N/A	2
6	N. Edozien (Ms.)	P	P	P	P	4
7	M.O. Ayeni (Mrs.)	N/A	N/A	N/A	P	1

P – *Present* | **A** – *Absent* | **N/A** – *Not Applicable as Director did not hold this office at the time*

D. Special Projects Committee

The Special Projects Committee was set up in accordance with the provisions of the Company's Articles of Association and the Companies and Allied Matters Act 2020 and has as oversight responsibilities in relation to special projects to be undertaken by the business.

The members of the Special Projects Committee during the 2024 financial year are as follows:

Mrs. Yemisi Ayeni	- Committee Chair
Prof. Fabian Ajogwu, SAN	- Member

During the financial year under review, this Committee did not meet as there were no relevant special project matters for consideration.

9. Code of Business Conduct and Code of Governance for Directors

As a responsible member of the corporate community in which we operate, in addition to being interested in being the best performing consumer products company, we are also committed to our ambition to become the most trusted and respected business in Nigeria. Our company is rooted in carrying out responsible business practices and also committed to protecting our value chain and the communities in which we operate.

The Company has a Code of Business Conduct (COBC) which is based on our purpose and core values as an organization. The COBC are our minimum business conduct standards and at the heart of it is a culture of "Acting with Integrity" and "winning the right way" at all times as we interact with internal and external stakeholders. The COBC is applicable to all employees, directors, and business partners of the Company. Our COBC covers salient topics which include Health, Safety and Personal Security, Countering Corruption, Responsible Drinking, Illicit Trade, Discrimination and Human Rights, Information Management and Security, Quality, Insider trading, Conflict of Interest, Competition and Anti-Trust, Data Privacy, Relationships with customers, suppliers and other business partners, External Communications, and social media amongst others.

Integrity, Fairness and transparency are the principles that we abide by in all our business dealings as entrenched in our COBC and in line with international best practices. Training, awareness and communication programs as well as compliance monitoring mechanisms are in place to ensure that all relevant stakeholders remain aware of and continue to comply with the provisions of our COBC and policies.

During the year, we sustained continuous engagements with our people (contractors and employees) in building understanding of our Code, Policies and Corporate Governance principles and to further embed our ethical standards in their daily activities. This way, we expect that they will choose to do the right thing everyday and everywhere. Key policies covered in these engagements are Information Management and Security, Countering Corruption, Health, Safety and Wellbeing, Competition and Anti-Trust, Responsible Drinking, Conflict of Interest Declaration, Dignity at Work and Data Privacy. All directors subscribe to and re-certify their commitment to the COBC on an annual basis. Our employees and contractors also completed the mandatory policy trainings rolled out by Diageo and signed on to our Annual Certificate of Compliance. We also have a framework where conflict of interest declarations can be done at different periods.

We have also created and continually work to sustain a culture in which employees feel comfortable raising concerns about potential breaches of our COBC or policies. We expect anyone who identifies a breach to report it immediately, either through a confidential and independently managed whistle-blowing helpline- Speak-Up, to their Line Managers, to a member of the Business Integrity team, the Human Resources or Legal teams. Our approach to breach management is stated in the Diageo Breach Management Standard and our local Disciplinary Policy. All allegations are taken seriously and those that require action are investigated and addressed promptly. We monitor breaches to identify trends or common areas where further action may be required, and learnings are used to further educate our people.

10. Statement of Company's Risk Management Policies and Practices

The Board of Directors have the responsibility of ensuring the maintenance of a sound system of internal control and risk management which it does through its Finance, Audit and Risk Committee. In compliance with the requirements of the Code of Corporate Governance and with extant regulations as may be revised from time to time, Management providedassurances to the Board during the financial year that the risk management, control and compliance systems in Guinness Nigeria Plc are operating efficiently and effectively. These assurances are examined critically by the Board through its Finance, Audit and Risk Committee at its quarterly meetings and its findings are reported to the Board on a quarterly basis.

Guinness Nigeria Plc's approach to risk management is in line with Diageo's Global Risk Management Standard. On an annual basis, we undertake a holistic risk mapping and assessment to identify top internal and external existing or emerging risks which are thereafter ranked based on their likelihood of occurrence and their impact on the business. These risks are assigned to specific owners who are then tasked with ensuring that robust plans are in place to mitigate these risks or prevent them from crystallizing. These risks and mitigation plans are reviewed on a quarterly basis at the Risk Management Committee (RMC) meeting which is chaired by the Managing Director and comprise the heads of functions and other extended leadership team members.

We have continued to sustain a strong control program through our Controls Assurance and Risk Management (CARM) framework, which complies with Internal Control over Financial reporting requirements, and which also ensures Guinness Nigeria Plc complies with all relevant local and international legislations including the Sarbanes Oxley Act 2002.

Speed and agility to quickly adapt to change are now critical success factors for any business particularly on account of the heightened national security issues, significant inflationary environment and forex inaccessibility in our business world. Guinness Nigeria Plc continues to improve its flexibility and implement strategies that enable the business to adapt to the changes that are continuously happening in the economy. During the outgoing year, the Board ensured that all emerging risks were carefully identified and managed with periodic risk deep dives, to ensure our robust control environment and the assurance program remains effective while adapting to the rapid changes that the business experienced.

There remains a regular review and monitoring of the overall risk and control environment of the business by the Risk Management Committee at management level and by the Finance, Audit and Risk Committee of the Board; and implementation of Crisis Management and Business Continuity Plans which are periodically tested for effectiveness.

Compliance

Responsible business practices serve as the foundation of our Company's success and is imperative to protecting our value chain and the communities in which we operate. We nurture a culture of ethical leadership and integrity in our diverse, skilled workforce committed to serving all those who count on us to provide high-quality, safe and reliable products. Whether we are seeking to protect the data and privacy of our business partners and consumers, being transparent about our business activities, engaging with suppliers or assessing options for safe and ethical decision-making, we seek to sustain the trust earned over the course of our seven decades of business operations in Nigeria.

Ethics and Anti-Corruption
Guinness Nigeria has an Anti-bribery and Corruption Policy, and a Competition and Anti-trust Policy which all employees must comply with. As a subset of the Anti-Bribery and Corruption Policy is the Gifts and Entertainment Rules which provides mandatory guidance on giving and receiving of gifts and entertainment to mitigate against the risks of conflict of interest and engaging favours for payments, especially to Government Officials.

Our employees, business partners, including customers and vendors, are constantly engaged on our anti-corruption drive through policy trainings, onboarding programs, contracts or policy refresh activities.

Transparent Grievance Mechanism Process
Our internal and external reporting and complaints channels are supported by a whistleblowing line, set up to encourage employees anonymously report infringements of our Code of Business Conduct, internal standards, or applicable laws. Improper conduct is never in Guinness Nigeria's interest and being fully aware that improper conduct can damage our reputation and trustworthiness, we ensure all our employees place great importance on ethically impeccable norms.

Through the whistleblowing line, employees are advised to report unethical or unlawful behaviour and actual or suspected breaches of all internal policies or laws and regulations that are capable of undermining our integrity or that may pose a threat to our business. Employees may report to: Line Managers, Legal, Corporate Security, Human Resources, Business Integrity (BI) or SpeakUp by calling 2000 or 07080601240, or via the dedicated SpeakUp web reporting channel at www. diageospeakup. com. Business Partners and Customers are also encouraged to report actual or suspected breaches via the aforementioned SpeakUp channels.

Diversity and Inclusion
At Guinness Nigeria, we understand that for us to thrive and achieve our goal as the best performing, most trusted and respected consumer products company in Nigeria, we must build a diverse and inclusive workforce that reflects the totality of our customer and consumer base. We believe we have a stronger company when the diversity of our employees reflects the customer, communities and people who are bonded by our products.

We are aware that teams consisting of persons with varying opinions and experiences generate more insights and ideas. By sharing candid, collaborative and productive conversations we can solve our toughest challenges. For Guinness Nigeria Plc, diversity is viewed as an enabler for organizational growth and sustenance, and we possess overarching values and purpose that accommodate and respect the contribution of each team member.

Creating Direct and Indirect Employment
As a manufacturer of fastmoving consumer goods, we foster operational efficiency to ensure that gaps are non-existent in terms of availability of

our products. As such, we engage people and provide jobs in different spheres including production, logistics, marketing, sales and administration – across the country. For the reporting year, we subscribed to local suppliers in the agricultural value chain, logistics and in some of our packaging materials. Our retail and hospitality sectors are not left out, as they serve as the vehicle through which our products reach our consumers, also generating indirect employment for individuals.

11. Dealings in Securities Code

In line with relevant legal and regulatory provisions, the Company continues to monitor compliance with its Dealings in Securities Code (DSC), which prescribes a code of behaviour by directors and senior employees, as well as those in possession of market sensitive information relating to the Company.

During the year, regular reminders were disseminated to the investing public and to directors and senior employees on the Company's closed periods and the requirements for dealing with securities of the Company and the need for timely disclosure to the Company Secretary in this regard.

Affected persons are prohibited from dealing in the Company's securities during closed periods and are mandated to obtain consent to deal from appropriate senior executives of the Company. During the year under review, the Company Secretary, who is the designated Code Manager tasked with ensuring adherence to the provisions of the DSC, regularly issued Closed Period Notifications to directors, employees, and other relevant persons under the DSC.

Sustainability Statement

Guinness Nigeria Plc's sustainability strategy is fully aligned with Diageo's global Environment Social Governance agenda, and it is focused on addressing the most material issues within our organisation, the environment, with our investors, customers, consumers, and the society at large. **Society 2030: Spirit of Progress** is our 10-year action plan to help create a more inclusive and sustainable world and it is underpinned by 3 major pillars: **Promoting Positive Drinking, Championing Inclusion & Diversity** and **Pioneering Grain to Glass Sustainability**.

Our performance ambition is to be recognized as one of the best performing, most trusted and respected consumer products company in Nigeria and we understand that to achieve this, we need to deliver on our sustainable development commitments. Details of our sustainability activities in the year ended 30 June 2024, are in the sustainability section of our Annual Report.

Health And Safety

Guinness Nigeria is dedicated to safeguarding the health, safety, and well-being of its employees, contractors, and visitors. By strictly adhering to local and international safety regulations, the company ensures its sites and operations maintain high safety standards. This commitment is evident in the organization's comprehensive policies, standards, and best practices designed to create a secure working environment for all individuals.

An essential aspect of Guinness Nigeria's safety strategy is the focus on hazard identification, hazard control, and the promotion of a safety culture throughout the organization. By establishing clear procedures and guidelines, addressing potential risks proactively, and empowering employees to prioritize safety in their daily tasks, the company minimizes the risk of accidents. It fosters a sense of individual responsibility for safety among all stakeholders associated with Guinness Nigeria.

During fiscal year 24, our company continued to build upon the advancements made in fiscal year 2023 as part of our dedication to continual improvements. Our successful strategies in achieving this include:

Strive for Zero Harm

The launch of the Safety 'Stop & Think program in November 2023 has had a phenomenal impact in promoting a positive safety

'culture across the demand and supply functions. Notably, the engagement of the leadership team with production and logistics shopfloor teams was very invaluable in bolstering employee confidence in the company's commitment to making safety a top priority throughout all levels. We also launched a Behaviour Safety Culture assessment with staunch support from the African region safety leadership. This in addition to the Additionally, weekly safety 'stop and think' sessions has elevated employee awareness emphasizing the relevance of a positive safety culture in our daily operations.

Safe Driving on Roads
The integration of Brightmile's safe driving on-road program has elicited a team-wide improved commitment to driving safety across the 5 measurable Brightmile pillars. The Commercial Leadership in collaboration with Demand Safety and Brightmile, designed new ways of working that help encourage safety accountability across all levels within the Commercial team on Driving Safety. This has resulted in reduced road traffic incidents (RTIs) by 58%, cost avoidance of repairs from RTIs by 69%, and improvement in sustainability indices by consistent score on Eco.

We have continued to partner with our third-party Logistics transporters (3PL) to improve driving-on-road safety behaviors with the rollout of the five pillars of Logistics safety which primarily emphasizes initiative-taking safety while ensuring that every road traffic incident is reported by the partner, investigated, and learning taken to build a better safety culture.

External projects and events management.
Through improved and active collaboration between the Safety, Security, and Marketing teams on events planning and execution, we have eliminated unplanned safety events, making our events and out-of-home (OOH) projects injury-free. This laudable milestone was achieved through efficient Contractor Management and consistent safety engagement.

Overall, the positive impact of our fiscal year 2024 safety programs is evident in the decline in accident rates, the cultivation of a safety-conscious culture, and the continual enhancement of safety results throughout our operations. By giving priority to the health, safety, and welfare of our employees and stakeholders, Guinness Nigeria establishes a notable standard for responsible corporate conduct. It underscores the critical importance of safety in the workplace.

Company's Policies/Strategy for addressing and managing the impact of HIV/AIDS, Malaria and other serious diseases on the Company's employees and their families.
Guinness Nigeria Plc is committed to protecting the health, safety, and wellbeing of its employees in line with all relevant legislative requirements and best practice principles. In line with this, Guinness Nigeria Plc currently has two robust policies on this:

- Guinness Nigeria HIV/Aids Policy; and
- Guinness Nigeria Policy on Wellness

Guinness Nigeria Plc HIV/Aids Policy
We recognize that the potential social and economic consequences of HIV/AIDS in Nigeria and in Sub-Saharan Africa are enormous; however, there is hope, if the government and civil society collaborate and are mobilized to fight the spread of the disease together.

Guinness Nigeria Plc is determined to play its part with respect to this and the HIV/AIDS policy is a statement of our commitment to prevent the spread of HIV/AIDS in our workplaces and communities and to care for our employees and their dependents who suffer from its effects. The Policy follows guidelines from the Nigerian National Action Committee on AIDS (NACA) and forms part of the overall plan for the protection and enhancement of health of all our employees.

Some of the elements of the Policy include:

- Measures to prevent the spread of HIV/AIDS such as education and awareness campaigns.
- Strategies to reduce the impact of the epidemic in the workplace.
- Plans to protect employees and their families from HIV/AIDS and its effects.
- Confidentiality and non-discrimination towards employees with HIV/AIDS thereby promoting appropriate and effective ways of managing HIV/AIDS in the workplace.
- Promotion of a non-discriminatory working environment in which employees living with HIV/ AIDS can speak about their HIV/ AIDS status without fear of stigmatization or rejection.
- Management of HIV/AIDS via voluntary counselling and testing.

Guinness Nigeria Plc is an active participant in business coalitions and other fora (Nigeria Business Coalition Against Aids (NIBUCAA), National Action Committee on AIDS (NACA) and State Agency for the Control of Aids (SACA)) leading the national response to HIV/AIDS in Nigeria. Through our HIV/AIDS education and awareness programs we encourage employees to adopt personal behavior which minimizes the risks of their contracting HIV/AIDS. Through these and the development of our own workplace programs, the Company sustains its advocacy role in promoting awareness and understanding of the disease of HIV/AIDS and its impact at global, national, community and workplace levels.

Guinness Nigeria Plc Wellness Policy:
Wellbeing is defined as positive state of being well, contented, and healthy. A state of wellbeing therefore encompasses achieving, amongst other things, good work life balance, the management of stress at work and providing a work environment that is free from discrimination, bullying and harassment. The policy aims to assist employees in maintaining a healthy level of wellbeing and outlines the support available to employees in achieving this. Some of the ways in which Guinness Nigeria Plc supports the principles of wellbeing include:

- Providing occupational health support services to enhance employee wellbeing.
- Providing training and support to line managers on good management practices encouraging a partnership approach between employees and line managers that fosters trust, openness and honesty and recognizes their joint responsibility to find workable solutions to problems at work.
- Undertaking regular review of policy practice, procedure and initiatives to ensure that they maximize employee wellbeing.

We encourage employees to live a healthy well balanced life and we have a number of programs and facilities to assist employees to either evaluate their current level of wellbeing or to re-establish and maintain it and this is done via various channels including but not limited to: informal dialogue, occupational health information and advices, health screening for all employees (pre-employment health screening, post-employment risk assessment for all employees, once in 2 years comprehensive health screen etc.)

Employment And Employees

(a) Human Rights Commitment

At Guinness Nigeria Plc, our ambition is to lead as the most trusted and respected consumer products company in Nigeria.

Central to this vision is our unwavering commitment to human rights, guided by the Global Human Rights & Antidiscrimination Policy. We

uphold the principles of the Universal Declaration of Human Rights across our workplaces and the communities we serve, striving to integrate these principles throughout our business and value chain.

b) Equality and Diversity

Diversity lies at the heart of our culture at Guinness Nigeria. We believe that fostering an inclusive environment not only strengthens our business but also contributes positively to our world. Embracing a multicultural workforce, we are dedicated to attracting and retaining diverse talents, shaping pioneering policies, and practices that reflect our purpose of "celebrating life every day everywhere."

In our commitment to equality and diversity, we aim to:

- Treat all individuals with fairness, dignity and respect.
- Provide equitable opportunities to all.
- Foster a safe, supportive and inclusive environment for employees and visitors alike.

We endeavor to mirror the rich cultural tapestry of the regions we operate in. These principles guide our policies on:

- Employment equity and equality, ensuring fair treatment regardless of age, gender, race, ethnicity, religion, disability, marital status, pregnancy, sexual orientation, dependents, employment status, creed, color, nationality, union membership, or other factors.
- Diversity and inclusion initiatives that drive innovation and commercial success, thereby supporting our strategic objectives of value creation, trust, and employee engagement.

– Promoting Dignity at Work

We are committed to maintaining a workplace climate where employees feel empowered to address issues of harassment, bullying, or discrimination without fear of reprisal. Such behaviors are unequivocally unacceptable within our company and are viewed as detrimental to our employees, our reputation, and our customers.

– The Guinness Nigeria Spirited Network

This successful Guinness Nigeria Spirited Women Network has now expanded and evolved into Spirited Network Nigeria, accommodating both male and female employees. The network continues to birth initiatives that provide all employees with the opportunity to maximize their potential and take full advantage of the opportunities offered by Guinness Nigeria in their careers.

– Supporting Physically Challenged Employees

As an equal opportunity employer, Guinness Nigeria Plc partners with organizations like Sight Savers and the Nigerian Business Disability Network to enhance our support for physically challenged employees. This collaboration strengthens our capacity to nurture their talents and provide meaningful employment opportunities.

c) Effective Communication
Embracing a hybrid working model, we prioritize transparent communication to ensure all employees are aligned with our mission, goals, and business initiatives. Leveraging digital platforms such as Zoom, Yammer, monthly town halls, and physical meetings, we facilitate seamless dissemination of critical information across our organization.

d) Staff Diversity and Development
As of the end of the 2024 fiscal year, our workforce comprised 801 employees, with 35% being female. We are proud to note that 61% of our new hires during this period were women.

Our commitment to employee development includes robust learning and development programs focused on mandatory training, capability enhancement, and personal growth. Through initiatives like the Learning Hub and support for professional memberships, we empower our employees to excel in their current roles and pursue future career aspirations.

In essence, at Guinness Nigeria Plc, our dedication to human rights, equality, diversity, and employee well-being underpins our strategy to foster an inclusive workplace that drives sustainable business success and societal impact.

Sustainability and Social Responsibility Report

In the last 74 years, Guinness Nigeria Plc has sustained its strong legacy and a great track record of resilience, economic growth, and strong performance. We remain the foremost **Total Beverage Alcohol** company in Nigeria today renowned across the continent and internationally for our high-quality brands and strong believe in enriching the communities where we operate, source, sell and live through investment and positive investment and active participation.

Our Environmental Social and Governance agenda is fully focused on the management of the most material issues within our organisation, the environment, our investors, customers, consumers, and the society at large. **Society 2030: Spirit of Progress** is our 10-year action plan towards the achievement of the United Nations Sustainable Development Goals in our company, with our communities and for society, and it is underpinned by 3 major pillars: **Promote Positive Drinking**, **Championing Inclusion & Diversity** and **Pioneering Grain to Glass Sustainability**.

In the year ended 30 June 2024, we implemented a variety of programmes towards advancing our Environmental Social Governance agenda: Society 2030: Spirit of Progress agenda.

Promoting Positive Drinking

We want to change the way the world drinks for better, by celebrating moderation and continuing to address alcohol related harm, expanding our programmes that address under-age drinking, binge drinking and drink-driving.

We have developed several initiatives and partnerships to help drive this all-important message of moderation over the years, some of which are:

SMASHED

Our theatre-in-education programme targeted at tackling underage drinking amongst youth using drama and other interactive educational tools. The initiative is aimed at enlightening students that no amount of under-age drinking is safe by providing facts, causes, and consequences of under-age drinking. Smashed launched in the UK over a decade ago and has now been delivered in several countries around the world. Since its introduction into the Nigeria academic space in 2018, we have reached over 178,000 students aged 13 – 17 across the country. In the year under review, we reached 36,091 students across 80 government public and private schools within Rivers, Ondo, and Osun State; we expanded the delivery of the programme to 2 additional schools for People Living with Disabilities following last year's pilot.

SMASHED
ALCOHOL EDUCATION TO EMPOWER A GENERATION

36,091

students aged 13 - 17
reached in the year under review across 80 government and private schools within Rivers, Ondo & Osun states.

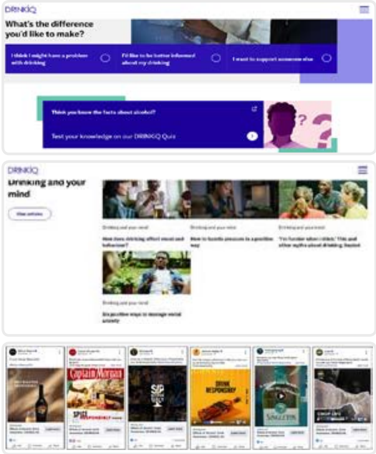
DRINKiQ.com

DrinkIQ Campaign

DrinkIQ is our global repository of facts about alcohol, created to help people make informed choices about drinking – or not drinking. The platform is designed to educate people on the risks of alcohol related harm and is part of our wider 2030 targets on positive drinking which includes reaching one billion people with a dedicated message of moderation from our brands. In FY24, we ran digital campaigns across several social media platforms to drive engagement with this resource resulting in over 25m Impressions; 7m Reach and over 14,000 Clicks to Landing page. Our Brand Moderation campaign (campaigns and trainings designed specifically to promote moderation) garnered a whooping 50,723,570 vs Full Year target of 20,000,000!

50,723,570
reach of our Brand Modertion campaigns vs Full Year target of 20,000,000

25million
impressions in FY24, ganered through our digital campaigns across several social media platforms



WRONG SIDE OF THE ROAD

Wrong Side of The Road is our authentic and immersive learning experience which allows users to have an interactive conversation with real drink-drivers, real people, real stories, and real consequences. The **e-learning module** aims to address the erroneous thinking that it is socially acceptable to drink and drive; it's a hard-hitting, gut-wrenching real-life experience of everyday people, who took the wrong decision to drive impaired; In F24, we reached an additional 30,383 people with about over 70% of the surveyed, reporting attitude change towards drinking and driving.

70% percentage of surveyed reporting attitude change towards drinking and driving

GUINNESS NIGERIA

EMBER MONTH CAMPAIGN

NEVER DRINK AND DRIVE

Our annual **Ember Month Campaign** in collaboration with the Federal Road Safety Corp is another platform with which we discourage the harmful use of alcohol. During the last quarter of every calendar year when festivities peak and road travels tend to increase, we run **Don't Drink & Drive** campaigns at strategic motor parks across the metropolis engaging with key stakeholders in the transportation industry educating them about the dangers of driving impaired. We also leverage this opportunity to provide basic health check services including eye test to commercial motor drivers and other members of the public. During the year under review, we partnered with the Lagos State Command of the Federal Road Safety Corp led by Corp Commander Babatunde Farinloye, engaging commercial drivers and other road users at the new Oshodi Terminal 1 Motor Park in Lagos. Several other key stakeholders in the armed forces including the Nigeria Army, NDLEA, LASTMA, Nigeria Police Force etc.

Championing Inclusion and Diversity

We believe that a most inclusive and diverse culture makes for a better business and a better society, we therefore continue to push programmes and initiatives that drive this conviction across our business, with our partners and communities, to help celebrate diversity and shape a more tolerant society.

Plan W

Under our **Skills4Life** programmes - **Plan W**, we facilitated improved employability and economic empowerment for an additional 500 women in Lagos and Oyo states, bringing the total number of women empowered to date, to 1,400, our ambition is to double this number by 2027. The capability building 'Nano-prenuership' training covers general business skills, business modelling and simple business arithmetic as well as provision of trade assets and seed capital to start off small scale product distribution businesses. Similar to last year, we partnered with Sight Savers Nigeria and the Nigeria Society for the Blind to facilitate the inclusion of 57 People Living with Disabilities on the programme .

1,400 total number of women empowered economically till date through our trainings.

Plan W
Empowering women through learning

Undergraduate Scholarship Scheme

The Guinness Undergraduate Scholarship scheme provides a platform for our business to support youth development across the country. We awarded scholarships to 29 additional students who were successful in the screening process for FY24, this brings to 79, the total number of awardees currently benefiting from the scheme. Under this scheme, each beneficiary gets the sum of Two Hundred Thousand Naira Only (N200,000) for each year of undergraduate study. In service of expanding our diversity and Inclusion net, we pioneered the inclusion of sight impaired students from the Nigeria Federal Society for the Blind – one of the foremost vocational centers for the support of sight impaired persons in Nigeria. About 17 students graduated from the programme last year, including an F21 cohort – Esosa Gregory Asemota who bagged a First-Class Honours Degree in Mechanical Engineering from the University of Benin Edo state.

Guinness Eye Center

Guinness Nigeria Plc reaffirmed its unwavering dedication to Nigeria's healthcare sector by renovating and re-equipping the **Guinness Eye Center** at Lagos University Teaching Hospital (LUTH) in Idi Araba, Yaba, Lagos, in the year under review.

The facility, which was first built and handed over to the management of LUTH over 30 years ago in December 1993 has since served as the Ophthalmology Department of the tertiary health institution, providing comprehensive ophthalmic care services to a wide range of patients across Nigeria and neighboring countries while also doubling as a crucial training center for undergraduate medical and ophthalmic nursing students. The facility caters for at least 15,000 old patients annually and carries out an average of 650 eye surgeries every year.

The renovation carried out in FY24 included the complete re-roofing of the structure, internal and external repainting, refurbishing of the wards, complete make-over of the toilets, provision of new Air-conditioning and so on. Total investment towards the latest renovation was circa NGN160,000,000.

The healthcare facility remains a pillar of support for the community it serves while also re-inforcing Guinness Nigeria Plc's commitment towards positively impacting society.

15,000

number of old patients catered for annually with an average of 650 eye surgeries every year.

Rehabilitation of Guinness Way

In furtherance of our commitment towards impacting our host communities positively, Guinness Nigeria plc completed the phase 2 rehabilitation of Guinness Way (formerly Iyoha Road) in Oregbeni Community, Benin, Edo State in the year under review.The road had suffered degradation over the years due to deep gullies created by severe erosion causing major discomfort to the residents of the community. Guinness Nigeria Plc undertook the rehabilitation of the 1.1km road, tarring the entire stretch and fitting it with ample drainage systems and pedestrian walkway to control the high erosion water volume. This has attracted rapid development and socio-economic progress within the community.

Employee Volunteering Programmes

Our employee volunteering programmes are major transformative collaboration platforms for social impact which afford employees across various department and locations opportunities for community service. During the year under review, employee volunteers participated in various community initiatives including:

- **Outreach to the Life Fountain Orphanage Home** in Lagos by the Supply team in commemoration of 2024 Children's Day and donation of household materials.

- **Commemoration of 2023 World Clean Up Day** on 19th September 2023 with a market clean up activity at the Ojuwoye Market, Mushin where volunteers removed tons of waste and litters from the market while sorting same into 'recyclables' and 'non-recyclables' for ease of processing. The highlight of the event was a buy-back/waste for wealth initiative where market men and women were tasked with collecting used PET bottles within their vicinity in exchange for products donated by Guinness Nigeria Plc as and other participating organisations.

- **Commemoration World Environment Day** on the 8th of June 2024 at our Benin Brewery with a community clean up and tree planting activities.

Pioneering Grain to Glass Sustainability

We recognise that our continued long-term success depends on the people and planet around us and understand that this success is threatened by climate change, water stress, biodiversity loss and other environmental factors. We have taken it upon ourselves to ensure that our people, our suppliers, our consumers, and society at large all thrive as a result of our business.That means working with our whole value chain – the people, resources and environment that contribute to our success, from grain to glass by helping to preserve water for life, accelerating to a low carbon world and becoming sustainable by design.

Preserving Water for Life

Water practice in an environmentally sustainable way is an important part of protecting the planet and has become even more imperative with the growing water stress in several locations across the world. Our Water stewardship journey has been a progressive success story since 2020 when our water usage efficiency was recorded at 4.5 (l/l) and has increasingly become more efficient till date.

The progress recorded so far has been driven by several water stewardship initiatives entrenched in our processes over the years, and further enhanced by the Water Recovery Plant commissioned at our Lagos Brewery in F23 with a resultant effect of drastic reduction in underground water extraction. During the year under review, an additional Water Recovery Plant was commissioned at our Benin Brewery, with and annual capacity to recycle 400,000 m3 of wastewater per annum.

400,000m3

annual capacity of the newly commissioned Benin Water Recovery Plant to recycle waste water.

WATER OF LIFE

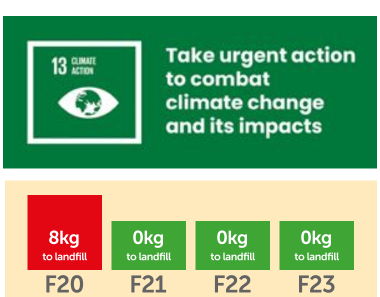
In line with our long-standing tradition of investing in communities where we work, source, and sell, and in recognition of the critical role which access to clean water plays in community health and well-being, particularly in water stressed areas, we sited and commissioned 3 solar powered borehole infrastructure in Ibarapa East LGA of Oyo state during the year under review. The facilities

have an annual combined yield capacity of 46 million litres and currently serves over 11,000 adults.

To ensure the long-term sustainability of the infrastructure, we also established an oversight committee comprising of men and women within the community who oversee the day to day running of the facility.

Zero Waste to Landfill

Efficient waste management has been one of our key pillars in driving grain to glass sustainability. We adopt a circularity approach in all our production processes to



reduce our waste from sources, reuse what we can and recycle what is left.

Our ambition is to prevent the incidence of our waste finding its way to a landfill, thereby polluting the environment in which we operate and beyond. In the last 4 years, we have consistently maintained zero waste to landfill in our direct operations while partnering with other organizations under the aegis of Food & Beverage Recycling Alliance (FBRA) to tackle post-consumer waste through several initiatives including collection through community waste pickers, recycling an upcycling.

In service of our ambition to be Net Zero Carbon in our direct operations by 2030, we upgraded the forklifts used in our logistics processes from Gas powered to electricity powered. The resultants benefits include productivity savings, improved efficiency, reduction in noise pollution enhanced safety, and carbon neutralization.

Separation of International Premium Spirits Business

During the year under review, Guinness Nigeria announced its plans to cease importation or distribution of 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 which is now scheduled to become effective in the 2025 financial year, is in line with Guinness Nigeria's longterm growth strategy, is also in alignment with Diageo plc's decision to establish a new, wholly owned spirits-focused 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.

Announcement on Sale of Diageo's Shareholding in Guinness Nigeria Plc

Under the terms of an agreement signed on 11 June 2024, the Company announced the acquisition of Diageo's 58.02% shareholding in Guinness Nigeria by Tolaram. The terms of the agreement includes that Tolaram will enter into a long-term license and royalty agreements with Diageo for the continued production of the Guinness brand and its locally manufactured Diageo ready-to-drink and mainstream spirits brands.

The transaction which is subject to obtaining the requisite regulatory approvals in Nigeria is expected to be completed during the 2025 financial year. Diageo remains deeply committed to Nigeria and will retain ownership of the Guinness brand, which will be licensed to Guinness Nigeria for the long-term, enabling the next phase of growth and development of Guinness Nigeria under the stewardship of Tolaram.

With over 50 years presence in Africa, Tolaram is one of the largest consumer packaged goods companies on the continent and has forged joint venture partnerships with several leading consumer multinational companies. This partnership affords the innate benefits and opportunities from Tolaram's deep expertise in manufacturing and distribution. In partnership with Guinness Nigeria and Tolaram, Diageo will continue to drive the brand and marketing strategy for Guinness in Nigeria, to ensure Diageo's exceptional capabilities in brand building and innovation continue to drive long-term growth for Guinness in Nigeria.

Acquisition of own shares

The Company did not purchase any of its own shares during the 2024 financial year (2023: Nil).

Property, Plant and Equipment

Information relating to changes in property, plant and equipment is given in the Note 15 to these financial statements.

Distribution

The Company's products are distributed through numerous key distributors who are spread across the country. Our distributors are our strategic business partners who contribute immensely to the success of our business and also benefit mutually from their relationship with Guinness Nigeria Plc. The Company also has distribution agreements with distributors who export its products to the United Kingdom and South Africa in addition to strategic alliances on distribution with other companies within the Diageo group in several African countries.

Events after the Reporting Date

There were no events after the statement of financial position date which could have had a material effect on the state of affairs of the Company as at this date or the financial results for the year ended 30 June 2024 which has not been adequately provided for.

Royalty And Technical Services Agreements

It has been the practice for the Company to maintain a close relationship with Diageo plc as technical partner and adviser. In this capacity, we receive technical and commercial support from certain members of the Diageo group under various Technical Services Agreements and Trademark and Quality Control Agreements.

Independent Auditor

PricewaterhouseCoopers acted as the Company's independent auditors during the year under review. The Independent auditors' report was signed by Mr. Edafe Erhie, a partner in the firm, a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN) and FRCN registration number FRC/2013/PRO/ICAN/004/00000001143.

PricewaterhouseCoopers has indicated willingness to continue in office as auditor in accordance with Sec. 401(2) of the Companies and Allied Matters Act 2020.

By Order of the Board

Abidemi Ademola
Legal Director/Company Secretary
25 July 2024

CORPORATE SERVICES LIMITED

16th July 2024

REPORT OF THE EXTERNAL CONSULTANTS ON THE PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS OF GUINNESS NIGERIA PLC FOR THE YEAR ENDED JUNE 30, 2024.

In line with the provisions of **Principle 14.1 of the Nigerian Code of Corporate Governance, 2018 ("NCCG") and Guideline 9 of the Securities and Exchange Commission (SEC) Corporate Governance Guidelines for Public Companies in Nigeria issued in 2020 ("SCGG")**, DCSL Corporate Services Limited was engaged to undertake an appraisal of the Board of Directors of Guinness Nigeria Plc ("Guinness Nigeria") for the year-ended 30th June 2024.

The appraisal entailed a review of the Company's corporate and statutory documents, Minutes of Board and Committee meetings, policies and other ancillary documents made available to us and the administration of questionnaires to Directors. To ascertain the extent of compliance with relevant corporate governance principles and appraise the performance of the Board, we benchmarked the Company's corporate governance structures, policies and processes against the above-mentioned Codes and regulations as well as global Best Practices and considered the following key seven corporate governance themes:

1. Board Structure and Composition;
2. Strategy and Planning;
3. Board Operations and Effectiveness;
4. Measuring and Monitoring of Performance;
5. Risk Management and Compliance;
6. CorporateCitizenship;and
7. Transparency and Disclosure

Following the review of the policies and processes in place in the Company, we confirm that the Board of Directors is committed to ensuring the implementation of best corporate governance practices and adherence to the principles enshrined in the NCCG and SCGG as well as globally accepted best practices. The Board is committed to ensuring observance of the highest ethical standards and transparency in the conduct of the Company's business.

We have proffered recommendations to address the area requiring improvement and are satisfied that the Board will take appropriate steps to implement these. Details of our key findings and recommendations are contained in our detailed Report.

Please accept the assurances of our highest regards and esteem.

Yours faithfully,
for: **DCSL Corporate Services Limited**

Bisi Adeyemi
Managing Director
FRC/2013/NBA/00000002716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Board of Directors & Company Secretary


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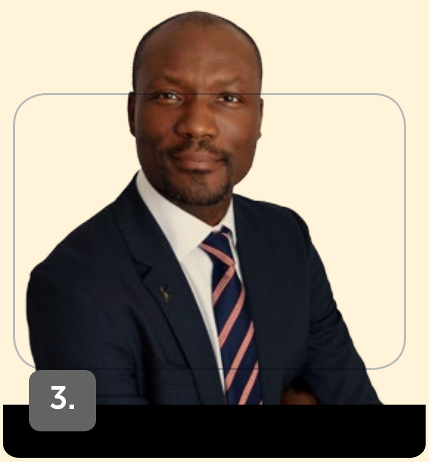
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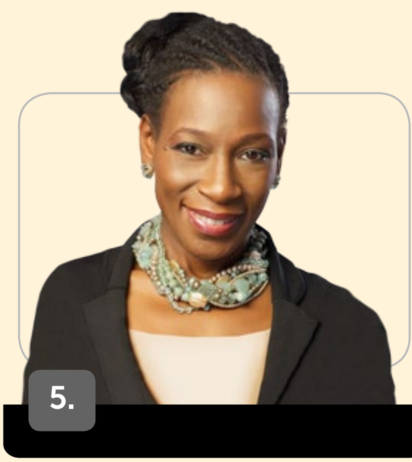
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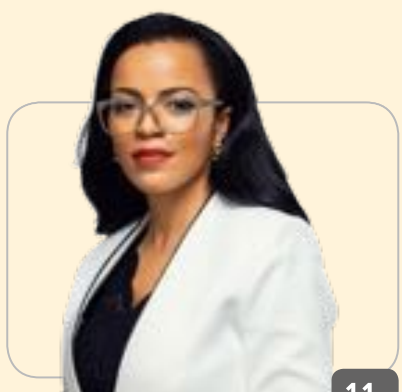

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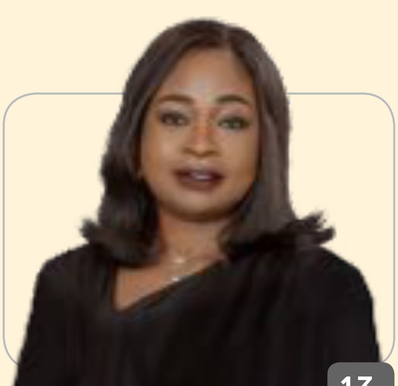

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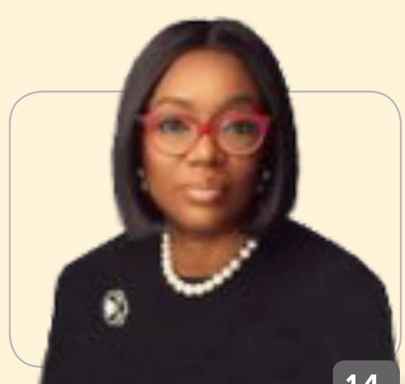

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1.
Dr. Omobola Johnson
Board Chair & Independent Non-Executive Director (INED)

An alumnus of the prestigious University of Manchester, University of London and Cranfield University, Dr. Johnson started her professional career in management consulting in the London Office of Arthur Andersen/Andersen Consulting (now known as Accenture) in 1985.

In 2005, Dr. Johnson was appointed as the Country Managing Director for Accenture. In March 2010, she sought early retirement from Accenture to enable her to pursue other interests. She was appointed as a member of Nigeria's Presidential Advisory Council in 2010 providing support to the Acting President Goodluck Jonathan.

In 2011, she was appointed as Nigeria's pioneer Minister of Communication Technology. During her four-year tenure at the Ministry, she oversaw the launch and execution of the National Broadband Plan and the pioneering involvement of government in a local VC fund and a network of start-up incubators. She served meritoriously in that capacity until May 2015.

In 2015 she joined TLCom Capital LLP, a technology venture capital fund, as a Senior Partner focused on investment and value generation for technology companies in sub-Saharan Africa. She is a Fellow of the Aspen Global Leadership Network (AGLN) and serves on the boards of several blue-chip companies.

Dr. Johnson is an Independent Non-Executive Director and Board Chair effective 1st July 2021. She brings to the Board over 30 years of experience from both the private and public sectors of the Nigerian economy. She was appointed to the Board with effect from 29th January 2016. She resides in Nigeria.

2.
Ms. Joan Hodgins
Vice Chair & Non-Executive Director

Ms. Joan Hodgins holds a Bachelor's degree in Psychology from University College Dublin and a Master's degree in Human Resource and Occupational Psychology from University College Cork. She is Chartered with the British Psychological Society and Registered with the Psychological Society of Ireland.

She has over 30 years commercial experience, both consulting in the areas of Development, Assessment and Diversity, and in-house in a range of HR roles including Business Partnering; Inclusion and Learning; and Talent Management.

Joan joined Diageo in 2002 and has effectively delivered in a range of Global Strategic roles as well as market HR Director roles (in North America, Australia, Europe and Turkey). Her purpose is to transform businesses by building effective organisations, enabling people to shine, grow and perform.

Ms. Hodgins was appointed Global Talent Director for Diageo in January 2022. She was appointed to the Board as a Non- Executive Director and Vice Chair with effect from 1st July 2023. She is also the Chair of the Nominations, Governance and Remuneration Committee of the Board.

3.
Adebayo Alli
Managing Director/Chief Executive Officer

Bayo boasts nearly two decades of rich experience across various sectors within the FMCG industry. His journey with Diageo began in 2005, starting as a Packaging Operations Support Manager, where he swiftly ascended to senior leadership roles in manufacturing, supply, and commercial divisions. Bayo's tenure has been marked by a consistent track record of orchestrating transformative commercial initiatives, optimizing supply chains, and pioneering strategic breakthroughs amidst dynamic and challenging environments.

In 2013, Bayo embarked on an international assignment to Ethiopia, where he played a pivotal role in spearheading a comprehensive business transformation project at Diageo's Meta Abo Brewery Limited. His leadership acumen, coupled with a profound sense of cultural awareness and inclusive management style, facilitated unprecedented achievements during his tenure. Rising through the ranks, Bayo was appointed Plant Manager in 2014 and subsequently assumed the role of Supply Chain Director in 2015, further solidifying his reputation as a strategic leader with a keen eye for innovation and efficiency

Returning to Nigeria in 2017, Bayo transitioned to commercial roles, showcasing his ambition for broader organizational leadership. He held various senior positions in commercial sales at Guinness Nigeria Plc, ultimately ascending to the role of Commercial Director in 2020. In this capacity, Bayo has been instrumental in driving remarkable growth metrics, doubling Gross Profits, and elevating market share across critical categories. His visionary leadership, characterized by a steadfast commitment to people development and strategic foresight, has positioned him as a catalyst for organizational excellence and sustainable growth.

Bayo's academic credentials underscore his dedication to continuous learning and professional development, with notable achievements from leading institutions such as the University of Ibadan, University of Oxford, INSEAD Business School, Cranfield University, and Loughborough University. He is a member of the King's College Old Boys' Association (KCOBA), Floreat.

Driven by a profound sense of purpose, Bayo aims to inspire positive transformations and leave a lasting legacy of progress and empowerment, particularly within the African context.

He was appointed to the Board as the Managing Director/Chief Executive Officer of Guinness Nigeria Plc with effect from the 1st of January 2024. He is happily married with a child and resides in Nigeria..

4.
Mr. Emmanuel Difom
Finance & Strategy Director

Emmanuel is a Certified Public Accountant from Paris Academy in France and member of the Cameroon's institute of chartered accountants. He holds a master's degree in Management from Yaoundé University and several other professional certifications including the Diploma of Certified Public Accountants (D.E.C) – French Republic; D.S.G.C – CNAM-INTEC of Paris (France); D.S.C.G – Académie de Nantes (France) and D.E.F.C - CNAM-INTEC of Paris (France).

Emmanuel has over fifteen years of experience as Finance Director across industries and global companies. With an exciting career that has taken him through 17 different geographies, he is a highly accomplished executive with strong experience in Business Strategy, Finance and Tax management supported by a solid background in FMCG, Oil and gas and Banking sectors.

Prior to joining Diageo, Emmanuel worked as Finance Director at British America Tobacco (BAT) across many markets including Cameroun, Senegal and Nigeria from where he was covering 12 other markets in west and central Africa. He led the transformation of Operations Finance and Controls for 17 markets, including Nigeria, before leaving BAT in 2018. Before BAT, he also had an amazing career working in oil and gas (Exxon Mobil), as well as the banking sector (Société Générale).

Emmanuel joined Guinness Nigeria in September 2021 as the Finance & Strategy Director. Before then, he was Finance Director for Guinness Cameroon, a position he held since March 2018.

He was appointed an Executive Director of the Company with effect from 1st November 2021. He resides in Nigeria.

5.
Ms. Ngozi Edozien
Independent Non-Executive Director (INED)

Ms. Edozien has over CIRCA 35 years' experience in consulting, finance/private equity, general management and business development functions with multinational companies in Europe, USA and Africa.

She is an alumna of Harvard and Radcliffe Colleges, Harvard University and Harvard Business School, Harvard University.

Post an initial career in investment banking with JP Morgan, Ms. Edozien joined McKinsey & Company in late 1991. She served clients in the Healthcare and Consumer Goods sectors out of the London and Paris offices until 1999 when she left the Firm as an Associate Principal to pursue an industry role. Ms. Edozien joined Pfizer Inc. as Vice President, Pfizer Global Pharmaceuticals (PGP) Strategic Planning and Business Development, a position she held until her appointment as the Regional Director, East, Central and Anglophone West Africa for Pfizer from 2005 through 2008. From 2009 to 2014 Ms. Edozien was the Head of West Africa for Actis LLP, an emerging markets private equity firm, where she completed several transactions and managed a portfolio of investments in the Consumer Goods, Financial Services, Industrials and Oil and Gas sectors.

She is the founder and Managing Director of Invivo Partners Limited, a consulting, advisory and investment firm in Nigeria with a portfolio of early-stage businesses in various sectors. She is an Advises/Partner to ESG in Action Africa (Nigeria), Competent Boards, (Canada) while Verod Capital (Nigeria). Both focus on ESG training and consulting while Verod is a private equity firm. Ms. Edozien currently sits on several Boards including Bank of Africa, BMCE Group (Morocco); Imperial Brands PLC (United Kingdom), and Ikeja Hotels PLC (Nigeria). Past board roles include: Stanbic IBTC Holdings (Nigeria) of Standard Bank Group; Barloworld Plc (South Africa); PZ Cussons PLC (United Kingdom), Vlisco Group (Netherlands), Seven Energy (Nigeria), UAC (Nigeria), Diamond Bank Plc (Nigeria) and Mouka Foam (Nigeria). She advises several African early-stage businesses in various sectors including healthcare, FMCG, Financial Services and Technology.

Ms. Edozien was appointed to the Board with effect from 26 November 2015 and is a member of the Finance Audit and Risk Committee of the Board and the Statutory Audit Committee. She resides in Nigeria.

6.
Mr. Leo Breen
Non-Executive Director (NED)

Mr. Leo Breen holds a Bachelor of Arts in Philosophy from Newcastle University and is a member of the Chartered Institute of Management Accountants. He has over 30 years of experience with Diageo Group and has overseen Finance operations for Diageo businesses in over 40 countries across Europe, Asia and Africa.

Leo was appointed Regional Finance Director for Diageo Africa in 2017 and is based out of London. He was appointed to the Board as a Non-Executive Director with effect from 25th April 2017. He is a member of the Finance, Audit & Risk Committee of the Board.

7.
Mrs. Gráinne Wafer
Non-Executive Director (NED)

Gráinne Wafer obtained an MA in Modern English & American Literature from _University College Dublin in 1991 and a BA in English and German in 1990 from University College Dublin.

She is a highly experienced Senior Marketing Executive with over 25 years' marketing experience in blue chip Companies. She has worked for Diageo Plc for 27 years in different capacities including Marketing Director Guinness & Smithwicks Ireland, Innovation & Spirits Marketing Director Ireland, Innovation Commercialization Director, Europe, Global Marketing Director, Guinness, Global Brand Director Baileys & Roe; Global Brand Director, Guinness & Malta Guinness.

Gráinne was appointed Global Director of Beer, Baileys, Smirnoff for Diageo Plc in August 2022. She was appointed to the Board as a Non-Executive Director with effect from 25th January 2023 and represents the Board as a member of the Nominations, Governance & Remunerations Committee of the Board. She resides in Ireland.

8.
Prof. Fabian Ajogwu, SAN
Independent Non-Executive Director (INED)

Fabian Ajogwu is a Senior Advocate of Nigeria with Kenna Partners, and Lagos Business School Professor of Corporate Governance. He is an Alumnus of the Said Business School of Oxford University, and an Alumnus of the Lagos Business School.

Professor Ajogwu holds a Doctorate in Law from University of Aberdeen, Scotland; an MBA from the IESE Business School, Barcelona; and Law degrees from the University of Nigeria and the University of Lagos. He has practised law for over 3 decades and is a Senior Partner with Kenna Partners.

Professor Ajogwu is the Founder of the Society for Corporate Governance Nigeria; a Fellow of the Nigerian Institute of Chartered Arbitrators, the African Leadership Initiative West Africa, Henry Crown Global Leadership of the Aspen Institute, the AIFA Reading Society, the Society for Art Collection, and a member of the Oxford

Philosophical Society, Royal Institute of Philosophy London, and Royal African Society, UK. He is the President of the Nigerian Institute of Chartered Arbitrators. He served on the Governing Council of the Pan-Atlantic University, the General Council of the Bar, and twice on the Council of Legal Education (Nigerian Law School) as the statutorily designated Distinguished Legal Author. He is a member of the International Council for Commercial Arbitration; and London Court of International Arbitration.

He has been the Lead Counsel to governments and corporations in several cases of national importance with an emphasis on energy, telecommunications, finance, and policy. He is the author of the books – 'The Law & Practice of Private Equity'; 'Ship Acquisition & Finance: Law & Practice'; 'Corporate Governance & Group Dynamics'; 'Corporate Governance in Nigeria: Law and Practice'; 'Commercial Arbitration in Nigeria: Law and Practice'; 'Fair Hearing'; 'Mergers & Acquisition in Nigeria: Law and Practice'; 'Law & Society'; and 'Decoupling Ownership from Management of Companies.' He co- authored the books – "Outcomes-Based Governance: Modern Perspectives to Corporate Governance' with Professor Mervyn King SC; 'Petroleum Law and Sustainable Development' with Dr Oscar Nliam; 'Legal & Regulatory Aspects of Commerce'; 'Trade & Investments in Nigeria: Legal & Regulatory Aspects'; 'Oral and Written Advocacy: Law & Practice' with Chief Folake Solanke, SAN; and 'Collecting Art: A Handbook' with Dr Jess Castellote.

Professor Ajogwu assisted the Securities and Exchange Commission in drafting Nigeria's pioneer Code of Corporate Governance. He chaired the Nigerian Communications Commission Committee on Corporate Governance for the Telecommunication sector. He served on the Financial Reporting Council of Nigeria Committee on the National Code of Corporate Governance. He chaired ARM Harith Infrastructure Ltd (Nigeria's pioneer infrastructure fund), Body of Senior Advocates of Nigeria Committee on Continuing Legal Education; and chairs Novare Group in Nigeria, and NES Global. He serves on the boards of Stanbic IBTC Holdings Plc, and was appointed to the Board of Guinness Nigeria Plc on November 1, 2018. He serves on the Nominations, Governance & Remunerations Committee, and the Finance, Audit and Risk Committee of Guinness Nigeria Plc.

Professor Ajogwu, SAN, is the recipient of the national honours award of the Officer of the Order of the Federal Republic (OFR) preferred to him by the President of Nigeria.

9.
Ambassador Sunday Thomas Dogonyaro, OON
Independent Non-Executive Director (INED)

Amb Dogonyaro is an alumnus of Ahmadu Bello University, Zaria; London School of Economics & Political Science (LSE) of the University of London, London and the National Institute for Policy and Strategic Studies (NIPSS), Kuru, Jos, where he did his undergraduate and graduate studies. He is a member of the Institute (mni) and Institute of Directors (M IoD) Nigeria.

He had a brief stint in academia but built much of his career and held several leadership positions in the Nigerian Federal Government at home and Nigeria's Foreign Missions in London, Pretoria, Sao Tome and the New Partnership for Africa's Development (NEPAD) Secretariat in Midrand, South Africa. He was Ambassador in -situ at and Coordinator of Programmes at NEPAD and Ambassador to Sao Tome and Principe.

He is the Co-Founder of African Policy Research Institute, Abuja. He was conferred the National Honour of Officer of the Order of Niger (OON) in 2002 for outstanding services to the country.

Amb. Dogonyaro was appointed an Independent Non-Executive Director with effect from 4th September 2014 and was the former Vice Chairman of the Nominations, Governance & Remunerations Committee and a member of the Special Projects Committee of the Board. He resides in Nigeria. He retired from the Board effective 31st August 2023.

10.
John Musunga
Outgone Managing Director (MD)

John is known for his passion for driving business results through the power of strong teams and creating an environment where people can be at their best.

John is an astute leader who joined Diageo in March 2021 as Managing Director of Kenya Breweries Limited. Prior to this, John had a highly successful career at GSK where he gained more than 25 years' experience in senior local, regional and global roles. He has also served as a Non-Executive Director for the Vision 2030 Board in Kenya, as well as chairing the Kenya Association of Pharmaceuticals Industry and the Kenya HIV/AIDS Business Council.

John joined the Guinness Nigeria team on November 1st, 2022, with a wealth of international and global leadership experience. He is married with children. He resigned from the Board effective 31st December 2023.

11.
Mrs. Tariye Gbadegesin
Independent Non-Executive Director (INED)

Tariye Gbadegesin assumed the role of Chief Executive Officer Climate Investment Funds in March 2024, prior to this appointment, she was CEO of ARM-Harith Infrastructure Investment Ltd, a leading Pan - African infrastructure fund investing in energy transition and climate resilient infrastructure.

An investment professional with over 20 years' experience in finance, principal investments, and infrastructure, Tariye has global experience spanning roles at the Africa Finance Corporation, the International Monetary Fund, the Boston Consulting Group, & Price Waterhouse Coopers. Tariye is the co-chair of the steering committee for the Voluntary Carbon Markets Integrity Initiative (VCMI) launched by the UK Government and the Children's International Investment Fund (CIFF) and is also a member of the African Advisory Committee of the Glasgow Financial Alliance for Net Zero (GFANZ). She is a member of the Board of Advisors – Columbia University Center on Global Energy Policy and member of the Advisory Council of the Millenium Challenge Corporation.

Tariye is a member of the Advisory Committee on Infrastructure for the United Nations Principles for Responsible Investing (PRI) and is a board member of the African Infrastructure Developers Association (AFIDA).

Tariye was appointed a Non-Executive Director for Guinness Nigeria PLC on the 27th of July 2022, and she served on the Statutory Audit Committee of the Company prior to her resignation effective 24th February 2024. She holds a bachelor's degree in economics from Amherst College, and an MBA from the Harvard Business School.

12.
Mrs. 'Yemisi Ayeni
Independent Non-Executive Director (INED)

Mrs. 'Yemisi Ayeni retired as Managing Director of Shell Nig. Closed Pension Fund Administrator Limited in April 2015.

She is a 1985 honors graduate of Economics from the prestigious University of Manchester, UK, and a 1989 Chartered Accountant and Fellow of the Institute of Chartered Accountants in England and Wales.

Mrs. Ayeni started her professional career with Price Waterhouse, London in 1985 where she spent 5 years working her way through a variety of increasingly senior Audit roles before moving to the Firm's Corporate Reconstruction and Insolvency team in 1990. She returned to Nigeria in 1991 as a Senior Manager in the Corporate Finance Team of Price Waterhouse, Lagos.

In 1994, Mrs. Ayeni joined Shell Nigeria and held a wide variety of roles during her 21 years with Shell. In November 2004, she was appointed Finance Director, Shell Nigeria Exploration & Production Company Ltd. (SNEPCo), earning her the distinction of being the first Nigerian woman to be appointed to the Board of a Shell Company in Nigeria.

Until her retirement, Mrs. Ayeni was a Council Member of the Nigerian Stock Exchange now, Nigerian Exchange Group Plc (NGX) and the Chair of the Exchange's Demutualization and Technical Committees. She was also Vice Chair, Pension Fund

Operators' Association and the Chair of the Association's Institute Committee.

She is currently the Chairperson of NASCON Allied Industries Plc and Non-Executive Director of Stanbic IBTC Pension Managers Ltd. She is also a member of the Leadership Council of the Aig-Imoukhuede Foundation and Vice-Chair of the Queen's College Old Girls' Association's Board of Trustees. She was appointed to the Board as a Non-Executive Director with effect from 1st September 2018 and represents the Board as the Chair of the Finance, Audit and Risk Committee and the Special Projects Committee. Mrs. Ayeni also sits on the Statutory Audit Committee of the Company. She resides in Nigeria. She will retire from the Board with effect from 31st August 2024.

13.
Abidemi Ademola
Company Secretary

Mrs. Abidemi Ademola is an Executive Corporate Counsel, Governance Professional and Business Leader with niche experience spanning almost 3 decades of Corporate-Commercial Law & Governance practice in Nigeria and West Africa.

Passionately driven by a personal purpose to build a lasting legacy by shaping capability in Governance, Risk and Compliance, her forte is to proactively identify legal, regulatory, compliance and corporate governance risks to business and develop innovative mitigation to enable seamless business operations and sustainability. Abidemi has been instrumental in building strong legal teams and delivering several epic legal transactions and projects across West Africa. She has supported multiple Boards of multinational listed entities for over 10 years to implement world class Corporate Governance practices and processes with positive impact on Board effectiveness. She was appointed to the Board of Unilever Nigeria Plc as an Executive Director in March, 2023. She exited Unilever after 27 years of impactful service to start DFA Solicitors, a Law and Governance Practice. True to her industry pedigree, she was appointed the Legal Director/ Company Secretary of Guinness Nigeria Plc (a Digeo Company) on 1st November, 2023.

Abidemi holds a Bachelor of Laws from the Obafemi Awolowo University, Ile-Ife., a Master of Laws from the University of Lagos, Akoka and an MBA Leadership from Walden University, United States. She is a Fellow of the Institute of Chartered Secretaries and Administrators of Nigeria (ICSAN) and was co-opted as Governing Council member of the Institute from 2022 to 2023. She is also a Fellow of the WIMBOARD Institute, a WIMBIZ/IE University, Madrid Executive Education Programme for Women on Boards. She is a member of the Chartered Institute of Directors and the Nigerian Bar Association, Section on Business Law and NBA Women Forum. Abidemi is a qualified Arbitrator of the Chartered Institute of Arbitrators, UK.

14.
Profile of appointed director since the last AGM for the purpose of confirmation of appointment:

Mrs. Vivien Shobo
Independent Non-Executive Director

Vivien Shobo is the Chief Executive Officer of FVS Advisory Partners. Between September 2003 and December 2019, she was the Chief Executive Officer of Agusto & Co, the foremost Pan African credit rating agency and leading provider of economic and industry research in Nigeria & Sub-Saharan Africa. Vivien left Agusto & Co. with an outstanding record of achievements, the most significant being fortifying Agusto & Co's formidable market position as a leading Pan African credit rating agency and diversifying the company's product and revenue base.

In September 2020, Vivien Shobo was chosen from amongst her peers by the African Banker Awards Committee, as the winner of the African Banker Icon Award (the most prestigious event in Africa's banking and finance sector), in recognition of her exemplary career and work at the helm of Agusto & Co, which was described as "truly pioneering and has helped transform capital markets in Nigeria and beyond."

During her tenure as CEO, Agusto & Co. achieved many milestones. She led the Company's African expansion initiatives by obtaining Credit Rating Agency licences from the Capital Market Authorities of Kenya and Rwanda in 2015. In the same year, Agusto & Co birthed Agusto Consulting (a subsidiary engaged in consulting, business advisory and training business). In 2017, Agusto & Co launched the AMI (Agusto Market Intelligence), an online portal that provides sound analyses of critical industries and companies. Furthermore, under her leadership Agusto & Co contributed immensely to the development of the Nigerian Debt Capital Market and successfully rated a diverse range of transactions, including most of Nigeria's banks, notable corporates, and state government debt instruments, thereby enabling these institutions raise billions of naira from the debt capital market.

As part of her contribution to the financial market development, Vivien previously served on several Securities and Exchange Commission committees, including:

- The Financial Literacy Master Plan Committee for the ten-year Nigerian Capital Market Master Plan (a blueprint for the development of the Nigerian capital market)
- The Fixed Income Sub-Committee
- The Investor Confidence Sub-Committee.

Vivien has interacted extensively with domestic and foreign investors, corresponding banks & Development Finance Institutions such as the World Bank, IFC, ADB & AFC. She is a highly regarded Financial Analyst with an excellent reputation and a proven track. Besides, she has sound macroeconomic knowledge & expertise in economic research, having overseen the production of industry reports, including Banking, Oil and Gas, Power and Manufacturing. She is a frequent speaker at domestic and global African capital market conferences.

Vivien is also a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN) and she has an MBA (Finance) from the Manchester Business School, United Kingdom. Vivien has also attended management and leadership programs at esteemed institutions including, Harvard Business School, Wharton Business School, and the Lagos Business School.

Vivien is a lifetime member of WIMBIZ (Women in Management, Business and Public Service), a non-profit organization that has over the last 20 years, implemented programs that inspire, empower and advocate for greater representation of women in leadership positions in the public and private sector. She is also a member of the International Women's Society and the Nigerian Institute of Directors (IOD). She was appointed to the Board of Guinness Nigeria Plc on the 25th of July 2024 as an Independent Non executive Director with effect from 1st September 2024.

Guinness Leadership Team

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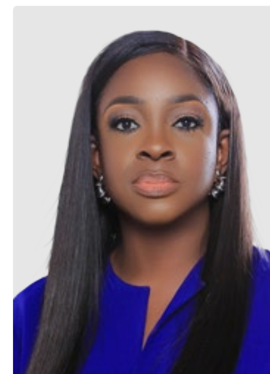

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8.

1. **Adebayo Alli**
   Managing Director/CEO

2. **Emmanuel Difom**
   Executive Director/Finance and Strategy Director

3. **Rotimi Odusola**
   Corporate Relations Director

4. **Ayodeji Ajibola**
   Human Resources Director

5. **Olusanya Adesanya**
   Commercial Director

6. **Mark Mugisha**
   Marketing & Innovations Director

7. **Aderemi Adewoye**
   Supply Chain Director

8. **Abidemi Ademola**
   Legal Director & Company Secretary


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CORPORATE & BRAND EVENTS>

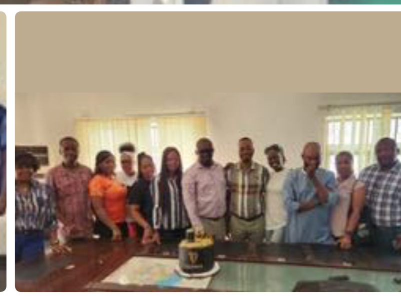
Corporate & Brand Events

Guinness Nigeria Celebrates 74 Years of a Lasting Legacy

74 YEARS Anniversary

On April 29, 2024, Guinness Nigeria celebrated its 74th anniversary with a range of activities. These included personalized e-postcards from the Managing Director, a short appreciation video, and a company-wide gathering where colleagues across the country celebrated the significant milestone.

Additionally, celebratory messages were deployed on billboards in four cities and newspapers.



NGX
Nigerian Exchange Group

Nigerian Exchange Group (NGX) Visits Guinness Nigeria Plc.

The Leadership of Guinness Nigeria led by our Managing Director and CEO – Adebayo Alli warmly welcomed the Nigerian Exchange Group (NGX) to our Head Office.

The gathering, characterized by insightful discussions, showcased the commitment of both entities to driving economic growth and sustainability.

Our leadership team championed a compelling presentation of Guinness Nigeria's organizational identity, diverse portfolio, and impactful economic and social contributions.

In a collaborative exchange, Mr. Jude Chiemeka, the Acting CEO of NGX, shed light on their pivotal initiatives, including proposed Green Bonds, Product Investment, Corporate Taxes, and All Africa Linkage Programs. The dialogue evolved into a fruitful exploration of potential synergies between NGX and Guinness Nigeria.

This collaboration between NGX and Guinness Nigeria PLC is not just a partnership; it's a commitment to mutual growth, economic resilience, and sustainable development.

Guinness Nigeria PLC Commissions Guinness Way in Oregbeni, Reaffirming Commitment to Sustainable Community Development

Guinness Nigeria completed and commissioned Phase II of Guinness Way (formerly Iyoha Road) in Oregbeni, Benin, Edo State. The 500-meter asphalt road and concrete drainage project, part of a 1.1km stretch beside the Guinness Brewery.

Guinness Way Phase II is more than just a road; it's a critical link that enhances access to essential services and economic opportunities for Oregbeni residents. It also addresses severe erosion issues, ensuring safe passage for both pedestrians and vehicles.

Since 1997, the company has provided potable drinking water through the Water of Life Initiative and awarded scholarships through the Guinness Undergraduate Scholarship Scheme. Additionally, it has contributed to local infrastructure, including the construction and rehabilitation of roads and the renovation of Ogbeni Primary School.

These initiatives reflect Guinness Nigeria's holistic approach to corporate citizenship, prioritizing community well-being and empowerment.

Minister of State (Ireland) Visits Guinness Nigeria HQ in Commemoration of St. Patrick's Day Celebration!

In celebration of St. Patrick's Day, the Leadership of Guinness Nigeria led by our Corporate Relations Director, Rotimi Odusola and our Site Director, Ogba Brewery, Dolapo Oshiegbu had the honour of hosting Sean Fleming, the Minister of State for International Development and Diaspora, Ireland at our Guinness Nigeria headquarters. This visit is a testament to our commitment to fostering positive relationships with key stakeholders.

Accompanied by his esteemed team, including Peter Ryan, Ambassador of Ireland to Nigeria, Michael Gaffey, Director General of the Department of Foreign Affairs, Shane Rice, Deputy Head of Mission, and Ronan McGurrin, 2nd Secretary, the Minister of State was given a tour of our Ogba brewery. This provided insight into our operations, innovations, and commitment to excellence.

As part of the tour, the Minister and team had the opportunity to experience firsthand the craftsmanship and dedication that goes into brewing our iconic beverages.

This visit not only highlights our continued efforts to engage with our stakeholders but also underscores our dedication to transparency, collaboration, and mutual growth.

International Women's Day 2024

Guinness Nigeria Leads the Charge for Inclusion

In commemoration of International Women's Day 2024 and our ongoing commitment to gender equality and fostering an inclusive workplace, Guinness Nigeria organized a series of activities throughout the week. A highlight of our celebrations was a roundtable session themed "Invest in Women: Accelerate Progress," featuring both internal and external speakers who are leaders and advocates in the field of gender and women's empowerment. To amplify our commitment, employees leveraged technology to make pledges on e-magazine covers, reaffirming their dedication to promoting diversity and inclusion.

A big thank you to our speakers; Adebayo Alli, Managing Director, Guinness Nigeria Plc., Mrs. Ndidi Okonkwo Nwuneli, Executive Chair, African Food Changemakers & Trustee, The Rockefeller Foundation Ijeoma Taylaur, Executive Director, AAA Limited, Rolake Akinkungbe-Filani, GM & Group Head, Investor Relations & Corporate Development, Zenith Bank Plc and Dolapo Oshiegbu, Site Director (Ogba brewery), Guinness Nigeria Plc.

Celebrating Success and Leadership Change at **Guinness Nigeria's Tropical Paradise-themed Year-End Party**

Last year's end-of-year party, themed "Tropical Paradise," was a vibrant success. The event brought together over 700 employees across both sites, celebrating achievements with lively music, lush tropical decorations, and a festive atmosphere.

Highlights included tropical-themed activities and delicious cuisine. The evening also marked a significant moment as we bid farewell to the outgoing MD, John Musunga, honouring his contributions and leadership and welcoming Adebayo Alli, our current Managing Director. The party was a memorable highlight, marking the culmination of a successful year for Guinness Nigeria PLC.

Guinness Nigeria holds the 6th Edition of its Annual "May is for Mentoring"

In May 2024, the Guinness Spirited Nigeria Network successfully held its annual 'May is for Mentoring' program. This year, we introduced mixed classes that included male and female employees, promoting a more inclusive and diverse learning environment. Additionally, we were thrilled to have a mentor who previously worked with us at Guinness Nigeria and has since transitioned to a significant role upmarket. Our distinguished mentors included Amaechi Okobi, Chief Brand and Communications Officer, Access Bank Plc. who spoke on personal branding, Ngozi Aghomi, Supply Chain Director, Guinness Ghana Breweries Ltd. who addressed finding purpose and pursuing it, and Yemi Faseun, Chief Talent Officer, YF Talent Partners who discussed managing workplace conflicts.

Their sessions offered invaluable insights and practical advice, fostering personal and professional growth for all attendees. The impressive turnout and enthusiastic participation highlighted the value of these sessions.

Beautiful Guinness, Everywhere - Launch of First Solar Bar in Nigeria

Guinness in Culture






Head Turning Football. Experiences

Bold and Visible Deployment in Modern Trade

Consumer Experiences in The Bar

F24 BUSINESS & DISTRIBUTOR'S CONFERENCE

Celebrating Transformation and Success: F24 Business and Distributors' Conference

We wrapped up the F24 fiscal year with our Business and Distributors' Conference, themed **"Guinness Transformed: Breaking New Grounds."** This event highlighted our commitment to innovation, resilience, and growth amidst challenging economic conditions. Held at the Eko Convention Centre, Lagos, the conference focused on reviewing our past performance and setting strategic priorities for the new year. We also unveiled our new mission for the year, reflecting our dedication to customer-centricity, sustainability, and empowerment.

The awards dinner was a highlight, celebrating the remarkable achievements of our employees and trade partners. Special recognition went to Mrs. Chinenye Alawode, our Head of Commercial Finance, who received the CEO Award for Employee of the Year, and outstanding distribution trade partners like Dr. Edmond Okafor and Mrs. Funke Ayeni for their exceptional contributions.

Our team bonding and game sessions added a fun and engaging element to the event, strengthening our connections and morale.

As we step into F25, we are brimming with opportunities that promise innovation, growth, and transformation. **Our new mission, "GN Transformed: Winning Differently,"** encapsulates this spirit and is a call to embrace change with open minds and the resilience that has always defined us.

2024 April Board Training Session

2024 April Board Strategy Session

73RD | ANNUAL GENERAL MEETING

Brewery Tour of members of the Statutory Audit Committee in January 2024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FINANCIAL STATEMENTS>

Statement of Directors' Responsibilities

FOR THE YEAR ENDED 30 JUNE 2024

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 responsibilities include ensuring that the Company:

a) 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) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities, and

c) prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, and are consistently applied.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with IFRS Accounting Standards and the requirements of the Financial Reporting Council of Nigeria Act and the Companies and Allied Matters Act.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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.

Signed on behalf of the Board of Directors by:

O. Johnson

Dr Omobola Johnson
Board Chairman
FRC/2018/IODN/00000018366
25 July 2024

Adebayo Alli
Managing Director
FRC/2024/PRO/DIR/003/193691
25 July 2024

Report of The Statutory Audit Committee

TO THE MEMBERS OF GUINNESS NIGERIA PLC FOR THE YEAR ENDED 30 JUNE 2024

In compliance with Section 404(7) of the Companies and Allied Matters Act, we have:

(a) reviewed the scope and planning of the audit requirements;

(b) reviewed the external auditor's memorandum of recommendations on accounting policies and internal controls together with management responses; and

(c) ascertained that the accounting and reporting policies of the Company for the year ended 30 June 2024 are in accordance with legal requirements and agreed ethical practices.

In our opinion, the scope and planning of the audit for the year ended 30 June 2024 were adequate and the management's responses to the statutory auditor's findings were satisfactory.

Mr. Moses Igbrude
FRC/2013/IMN/00000005585
Chairman

24 July 2024

Members of the Statutory Audit Committee

Mr. M. O. Igbrude	- Shareholder/Chairman
Mr. G. O. Ibhade	- Shareholder
Mrs. Onome Joy Adewuyi	- Shareholder
Ms. N. Edozien	- Independent Non executive Director
Mrs. 'Yemisi Ayeni	- Independent Non executive Director

1.

2.

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5.

Statement of Corporate Responsibility for Financial Reports

FOR THE YEAR ENDED 30 JUNE 2024

Pursuant to the provisions of Section 405 of the Companies and Allied Matters Act, 2020, the Managing Director/CEO and the Finance & Strategy Director of Guinness Nigeria Plc ("the Company") hereby certify that we have reviewed the audited financial statements for the year ended 30 June 2024 and based on our knowledge the:

a) audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading, in the light of the circumstances under which such statement was made;

b) audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for, the periods covered by the audited financial statements.

We further certify that we:

a) are responsible for establishing and maintaining internal controls and has designed such internal controls to ensure that material information relating to the Company is made known by us to the other officers of the Company, particularly during the period in which the audited financial statements report is being prepared;

b) have evaluated the effectiveness of the Company's internal controls within 90 days prior to the date of the audited financial statements; and

c) certify that the Company's internal controls are effective as of that date

In addition, we certify that we have disclosed to the company's auditors, audit committee and board of directors:

i) that there are no 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, and has identified for the company's auditors any material weaknesses in internal controls, and
ii) that there are no fraud that involves management or other employees who have a significant role in the company's internal control

We confirm that there are no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation.

Signed:

Adebayo Alli
Managing Director
FRC/2024/PRO/DIR/003/193691
25 July 2024

Emmanuel Difom
Finance & Strategy Director
FRC/2022/PRO/ICAN/001/00000024174
25 July 2024

Management's Annual Assessment of, and Report on,
Guinness Nigeria Plc's Internal Control over Financial Reporting

To comply with the provisions of Section 1.3 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of Guinness Nigeria Plc for the year ended 30 June 2024:

a) Guinness Nigeria Plc's management is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.

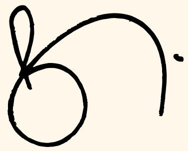
b) Guinness Nigeria Plc's management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR;

c) Guinness Nigeria Plc's management has assessed that the entity's ICFR as of the end of 30 June 2024 is effective.

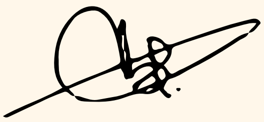
d) Guinness Nigeria Plc's external auditor Messrs PricewaterhouseCoopers that audited the financial statements, included in the annual report, has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

The attestation report of Messrs PricewaterhouseCoopers that audited its financial statements will be filed as part of Guinness Nigeria Plc's annual report.

Signed:



Adebayo Alli
Managing Director
FRC/2024/PRO/DIR/003/193691
25 July 2024



Emmanuel Difom
Finance & Strategy Director
FRC/2022/PRO/ICAN/001/00000024174
25 July 2024

Certification of Management's Assessment on Internal Control over Financial Reporting

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of Guinness Nigeria Plc for the year ended 30 June 2024

I, **Adebayo Alli**, certify that:

a) I have reviewed this management assessment on internal control over financial reporting of Guinness Nigeria Plc;
b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
d) The entity's other certifying officer and I:
1) are responsible for establishing and maintaining internal controls;
2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
4) have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
e) The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):
1) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and
2) Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.
f) The entity's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Name: **Adebayo Alli**

Designation: Managing Director

FRC No: FRC/2024/PRO/DIR/003/193691

Signature: ______________________________

Date: 25 July 2024

Certification of Management's Assessment on Internal Control over Financial Reporting

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 60-63 of Investments and Securities Act 2007, I hereby make the following statements regarding the Internal Controls of Guinness Nigeria Plc for the year ended 30 June 2024

I, **Emmanuel Difom**, certify that:

a) I have reviewed this management assessment on internal control over financial reporting of Guinness Nigeria Plc;
b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
d) The entity's other certifying officer and I:
1) are responsible for establishing and maintaining internal controls;
2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
4) have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
e) The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):
1) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and
2) Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.
f) The entity's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Name: **Emmanuel Difom** Designation: Finance & Strategy Director

FRC No: FRC/2022/PRO/ICAN/001/00000024174 Signature: ______________________________

Date: 25 July 2024

Independent Auditor's Report

TO THE MEMBERS OF GUINNESS NIGERIA PLC

Report on the audit of the financial statements

Our opinion

In our opinion, Guinness Nigeria Plc's ("the company's") financial statements give a true and fair view of the financial position of the company as at 30 June 2024, and of its financial performance and its cash flows for the year then ended in accordance with international financial reporting standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies and Allied Matters Act and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

What we have audited

Guinness Nigeria Plc's financial statements comprise:

- the statement of financial position as at 3o June 2024;
- the income statement for the year then ended;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of material accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), i.e. the IESBA Code issued by the International Ethics Standards Board for Accountants. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Impairment allowance on trade receivables (N4.48 billion) *(Refer to notes 4a, 7i, 19O and 29O to the financial statements).* We focused on this area due to the materiality of the trade receivable balance of N16.54 billion and the resulting impairment allowance of N4.48 billion and because the directors exercised significant judgement, using subjective assumptions in determining the timing and amount of impairment allowance recognised on trade receivables IFRS 9 'Financial Instruments' introduces a forward-looking expected credit loss (ECL) model for determining the impairment allowance on financial assets. The expected credit loss model requires significant judgement in measuring the ECL. The directors have adopted the simplified approach in assessing the impairment allowance for trade receivables. Areas where significant judgements were exercised by the directors include: • methodology used to determine the loss rates for the calculation of the lifetime expected credit losses; • estimating key behavioural parameters used within the expected credit loss models; • incorporating forward-looking information (forecasted inflation and gross domestic product) into the estimation of expected credit losses on trade receivables.	We adopted a combination of test of controls and substantive testing approach in assessing the impairment allowance recognised on trade receivables. Specifically, we performed the following procedures: • gained an understanding of the company's order to cash process, evaluated the design and tested the operating effectiveness of controls relating to customers' credits and collectability of trade receivables; • tested the reasonableness of data inputs used in the expected credit loss models by comparing to the company's underlying records; • engaged the services of our internal experts to: o review the methodology adopted by the directors in determining the loss rates used in estimating the expected credit losses; o review the models developed by the directors in estimating the key behavioural parameters used within the expected credit loss calculations; o assess the accuracy and the reasonableness of assumptions made by the directors with respect to how forward-looking information (forecasted inflation and gross domestic product) was incorporated into the expected credit loss estimation; o check the forward looking information to publicly available information • checked accuracy and appropriateness of disclosures on impairment allowance on trade receivables in accordance with IFRS 9.

Other information

The directors are responsible for the other information. The other information comprises the Financial Highlights, Board of Directors and Corporate Information, Board of Directors and Company Secretary, Directors' Report, Statement of Directors' Responsibilities, Report of the Statutory Audit Committee, Statement of Corporate Responsibility for Financial Reports, Management's Annual Assessment of, and Report on, Internal Control Over Financial Reporting, Management's Certification on Internal Control Over Financial Reporting, Statement of Value Added, Five-Year Financial Summary and Shareholders' Information (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the Guinness Nigeria Plc 2024 Annual Report, which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other sections of the Guinness Nigeria Plc 2024 Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the directors and those charged with governance for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the requirements of the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria (Amendment) Act,2023, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The Companies and Allied Matters Act requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i) iwe have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) the company has kept proper books of account, so far as appears from our examination of those books and returns adequate for our audit have been received from locations not visited by us;

iii) the company's statement of financial position, income statement and statement of comprehensive income are in agreement with the books of account and returns.

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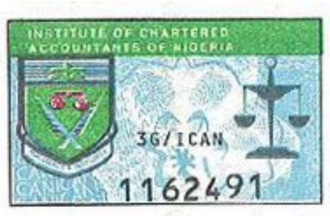

For: PricewaterhouseCoopers
Chartered Accountants
Lagos, Nigeria

Engagement Partner: **Edafe Erhie**
FRC/2013/ICAN/00000001143

25 July 2024

Independent Practitioner's report

TO THE MEMBERS OF GUINNESS NIGERIA PLC

Report on an assurance engagement performed by an independent practitioner to report on management's assessment of controls over financial reporting

Our opinion

In our opinion, nothing has come to our attention that the internal control procedures over financial reporting put in place by management of Guinness Nigeria Plc ("the company's") are not adequate as of so June 2024, based on the SEC Guidance on Implementation of Section 6o — 63 of The Investments and Securities Act 2007 issued by The Securities and Exchange Commission.

What we have performed

We have performed an assurance engagement on Guinness Nigeria Plc's internal control over financial reporting as of 3o June 2024, based on FRC Guidance on Assurance Engagement Report on Internal Control Over Financial Reporting ("the Guidance") issued by the Financial Reporting Council of Nigeria. The company's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Assessment of, and Report on, Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our assurance engagement.

Basis for opinion

We conducted our assurance engagement in accordance with the Guidance, which requires that we plan and perform the assurance engagement and provide a limited assurance report on the entity's internal control over financial reporting based on our assurance engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable

PricewaterhouseCoopers Chartered Accountants, Landmark Towers, 5B Water Corporation Road, Victoria Island, Lagos, Nigeria assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the finilleial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

We also have audited, in accordance with the International Standards on Auditing, the financial statements of Guinness Nigeria Plc and our report dated 25 July 2024 expressed an unqualified report.

For: PricewaterhouseCoopers
Chartered Accountants
Lagos, Nigeria

Engagement Partner: **Edafe Erhie**
FRC/2013/ICAN/00000001143

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
3G/ICAN
1162492

25 July 2024


TOGETHER,
WE ACHIEVE
MORE
T&KABBA
#stronger together
Dubic
MALT

Statement of Financial Position

AS AT 30 JUNE 2024

	Notes	30 June 2024 ₦'000	30 June 2023 ₦'000
ASSETS			
Non-current assets			
Property, plant and equipment	15(a)	101,321,397	99,177,647
Right-of-use assets	24(a)	131,180	217,574
Intangible assets	16	481,120	549,950
Deferred tax assets	27	20,640,824	—
Total non-current assets		**122,574,521**	**99,945,171**
Current assets			
Inventories	18	41,857,479	34,469,527
Trade and other receivables	19(a)	13,225,730	11,973,298
Prepayments	17	1,561,241	1,643,004
Restricted cash	20(a)	1,106,760	1,592,461
Cash and cash equivalents	20(b)	45,804,346	92,124,683
Total current assets		**103,555,556**	**141,802,973**
Total assets		**226,130,077**	**241,748,144**
Equity			
Share capital		1,095,191	1,095,191
Share premium		47,447,029	47,447,029
Retained earnings		(46,380,754)	7,882,396
Total equity		**2,161,466**	**56,424,616**
Liabilities			
Non-current liabilities			
Lease liabilities	24(b)	135,325	154,272
Employee benefits	25	1,148,548	1,018,689
Deferred tax liabilities	27	—	479,144
Total non-current liabilities		**1,283,873**	**1,652,105**
Current liabilities			
Current tax liabilities	13(d)	2,503,543	5,256,637
Dividend payable	22(b)	1,184,550	1,695,832
Loans and borrowings	23(a)	40,132,900	63,755,939
Employee benefits	25	215,391	136,480
Lease liabilities	24(b)	17	29
Contract liabilities	8(b)	2,743,373	1,590,422
Trade and other payables	28	175,904,964	111,236,084
Total current liabilities		**222,684,738**	**183,671,423**
Total liabilities		**223,968,611**	**185,323,528**
Total equity and liabilities		**226,130,077**	**241,748,144**

The financial statements and other national disclosures on pages 80 to 145 was approved by the Board of Directors on 25 July 2024 and signed on its behalf by:

Dr Omobola Johnson
(Chairman)
FRC/2018/IODN/00000018366

Adebayo Alli
(Managing Director)
FRC/2024/PRO/DIR/003/193691

Emmanuel Difom
(Finance & Strategy Director)
FRC/2022/PRO/ICAN/001/00000024174

The notes on pages 85 to 141 are integral parts of these financial statements.

Income Statement

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Year to date 30 June 2024 ₦'000	Year to date 30 June 2023 ₦'000
Revenue	8(a)	299,489,774	229,440,861
Cost of sales	11(c)	(208,031,003)	(151,307,788)
Gross profit		**91,458,771**	**78,133,073**
Other income	9	3,177,450	3,530,586
Marketing and distribution expenses	11(c)	(49,690,205)	(41,248,845)
Administrative expenses	11(c)	(19,522,548)	(17,048,024)
Net charge for expected credit loss on financial assets	29(a)	(15,987)	(9,106)
Profit from operating activities		**25,407,481**	**23,357,684**
Finance income	10(a)	21,764,454	7,789,340
Finance costs	10(b)	(120,851,804)	(53,285,623)
Net finance costs		**(99,087,350)**	**(45,496,283)**
Loss before income tax		(73,679,869)	(22,138,599)
Tax credit	13	18,913,093	3,970,558
Loss for the year		**(54,766,776)**	**(18,168,041)**
Earnings per share			
Basic and diluted loss per share (kobo)	14	(2,500)	(829)

The notes on pages 85 to 141 are integral parts of these financial statements

Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Year to date 30 June 2024 ₦'000	Year to date 30 June 2023 ₦'000
Loss for the year		(54,766,776)	(18,168,041)
Other comprehensive income, net of tax		–	–
Total comprehensive loss for the year		**(54,766,776)**	**(18,168,041)**

The notes on pages 85 to 141 are integral parts of these financial statements

Statement of Changes In Equity

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Share capital ₦'000	Share premium ₦'000	Share based payment reserve ₦'000	Retained earnings ₦'000	Total equity ₦'000
Balance at 1 July 2022		1,095,191	47,447,029	—	41,437,171	89,979,391
Total comprehensive income						
Loss for the year		—	—	—	(18,168,041)	(18,168,041)
Other comprehensive loss for the year		—	—	—	—	—
Total comprehensive income for the year		**—**	**—**	**—**	**(18,168,041)**	**(18,168,041)**
Transaction with owners, recorded directly in equity						
Dividends provided for or paid	22(b)	—	—	—	(15,639,333)	(15,639,333)
Unclaimed dividend written back	22(b)	—	—	—	252,599	252,599
Share-based payment credit	26	—	—	(58,994)	—	(58,994)
Share-based payment recharge	26	—	—	58,994	—	58,994
Total transactions with owners		**—**	**—**	**—**	**(15,386,734)**	**(15,386,734)**
Balance at 30 June 2023		**1,095,191**	**47,447,029**	**—**	**7,882,396**	**56,424,616**
Balance at 1 July 2023		**1,095,191**	**47,447,029**	**—**	**7,882,396**	**56,424,616**
Total comprehensive income						
Loss for the year		—	—	—	(54,766,776)	(54,766,776)
Other comprehensive loss for the year		—	—	—	—	—
Total comprehensive income for the year		**—**	**—**	**—**	**(54,766,776)**	**(54,766,776)**
Transaction with owners, recorded directly in equity						
Unclaimed dividend written back	22(b)	—	—	—	503,626	503,626
Share-based payment charge	26	—	—	82,882	—	82,882
Share-based payment recharge	26	—	—	(82,882)	—	(82,882)
Total transactions with owners		**—**	**—**	**—**	**503,626**	**503,626**
Balance at 30 June 2024		**1,095,191**	**47,447,029**	**—**	**(46,380,754)**	**2,161,466**

The notes on pages 85 to 141 are integral parts of these financial statements

Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	12 months ended 30 June 2024 ₦'000	12 months ended 30 June 2023 ₦'000
Cash flows from operating activities			
Loss before income tax		(73,679,869)	(22,138,599)
Adjustments for:			
Depreciation of property, plant and equipment	15(a)	9,879,735	9,259,736
Depreciation of right-of-use assets	24(a)	50,965	133,844
Amortization of intangible assets	16(a)	149,767	88,385
Write-off of property, plant and equipment	15(b)	789,289	73,515
Gain on disposal of property, plant and equipment	15(g)	(1,582,501)	(1,514,394)
Impairment of inventories	18(a)	730,990	4,502,060
Provision release of inventories	18(a)	(1,495,218)	(534,564)
Charge for expected credit loss of trade and other receivables	19(b)	15,987	9,106
Reversal of impairment on (non-financial) other receivables	19(b)	(44,570)	—
Long service awards	25(c)	230,956	(19,497)
Share-based payments	26	82,882	(58,994)
Other movements in long service award	25(b)	—	(294)
Effect of provisions on customer deposit liability & other write-offs	28(b)	(93,461)	(137,624)
Finance income	10(a)	(21,764,454)	(7,789,340)
Finance costs	10(b)	120,851,804	53,285,623
		34,122,302	**35,158,963**
Changes in working capital:			
Inventories		(6,623,724)	(6,436,347)
Trade and other receivables	19(b)	14,600,548	2,590,062
Prepayments		81,763	189,714
Trade and other payables	28(b)	58,248,440	25,866,786
Cash generated from operating activities		**100,429,329**	**57,369,178**
Income tax paid	13(d)	(4,959,969)	(9,477,028)
Value added tax paid	28(b)	(15,141,925)	(12,999,573)
Dividend payables	22(b)	(7,656)	15,067
Gratuity paid	25(a)	—	(348,731)
Long service awards paid	25(b)	(179,791)	(178,949)
Net cash generated from operating activities		**80,139,988**	**34,379,964**
Cash flows from investing activities			
Interest received	10(a)	2,379,117	2,212,549
Proceeds from disposal of property, plant and equipment	15(g)	1,588,946	1,514,394
Acquisition of property, plant and equipment	15(f)	(10,131,852)	(9,916,781)
Acquisition of intangible assets	16(a)	(58,351)	(127,585)
Net cash used in investing activities		**(6,222,140)**	**(6,317,423)**
Cash flows from financing activities			
Proceeds from loans and borrowings	23(b)	3,889,841	12,383,535
Repayment of loans and borrowings	23(b)	(49,843,427)	(9,846,846)
Repayment of the principal portion of the lease liabilities	24(b)	(4,998)	(5,799)
Finance costs paid	10(b)	(77,840,541)	(4,850,782)
Dividends paid	22(b)	—	(6,564,798)
Net cash used in financing activities		**(123,799,125)**	**(8,884,690)**
Net (decrease)/increase in cash and cash equivalents		(49,881,277)	19,177,851
Effect of foreign exchange rate changes on cash and cash equivalents		3,560,940	3,843,116
Cash and cash equivalents at 1 July		92,124,683	69,103,716
Cash and cash equivalents at 30 June	**20(b)**	**45,804,346**	**92,124,683**

The notes on pages 85 to 141 are integral parts of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

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 Cocoa Industries Road (Guinness Road), Ogba, Ikeja, Lagos

2a. Basis of preparation

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB), and the requirements of the Financial Reporting Council of Nigeria Act and the Companies and Allied Matters Act. The financial statements were authorized for issue by the Board of Directors on 25 July 2024, and will be submitted for adoption to the Annual General Meeting of Shareholders.

2b. Going concern basis of accounting

The financial statements of Guinness Nigeria Plc for the year ended 30 June 2024, have been prepared on a going concern basis, which assumes that the Company will be able to meet its legal and trading obligations.

Although the Company is in a net liability position, with current liabilities exceeding current assets, and has reported a comprehensive loss of N54,767 million in 2024, it generated sizable cash from operating activities during the fiscal year. The loss is mainly attributable to the impact of c102% naira devaluation that resulted in net N92,992 million foreign exchange loss. The underlying business remains highly profitable and sustainable.

Management considers the naira devaluation as one-off market correction that will improve the liquidity in the near future and power further revenue growth, profit and cash generation in subsequent financial years. The management is satisfied that the going concern basis is appropriate.

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 of Directors 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively. Information about assumptions and estimation uncertainties and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described in the following notes:

(a) Assumptions and estimation uncertainties

Note 13 - Current taxes
Note 15 - Depreciation of property, plant and equipment
Note 15 - Impairment assessment of property, plant and equipment
Note 24 - Extension of lease options
Note 25 - Measurement of defined benefit obligations: key actuarial assumptions
Note 26 - Share-based payments
Note 27 - Deferred tax
Note 29 - Expected credit loss in line with IFRS 9 'Financial Instruments'
Note 30 - Contingencies

(b) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the historical financial information:

Recognition of deferred tax assets

The deferred tax assets include an amount of N21,769 million which relates to unrelieved losses. The Company has incurred losses over the last two financial years following the naira devaluation. Management considers the naira devaluation as oneoff market correction that will improve the liquidity in the near future and power further revenue growth, profit and cash generation in subsequent financial years. The Company has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets. Further information about the judgement made is included in note 2b and note 27.

Measurement of fair values

Some of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. as derived from prices)
Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability is categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 18 - Net realizable value of inventory
Note 26 - Share-based payments
Note 29 - Financial risk management and financial instruments

5. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items which have been measured on an alternative basis on each reporting date.

Items	Measurement bases
Non-derivative financial instruments	IInitially measured at fair values and subsequently measured at amortized cost.
Employee benefits	Present value of defined benefit obligation.
Share-based payment transactions	Grant date fair value of the equity instrument issued.

6. Changes in accounting policies

(i) New and amended standards adopted by the Company

The following standards and amendments have been applied by the Company for the first time for the financial year beginning 1 July 2023:

IFRS 17, 'Insurance contracts'

The IASB issued IFRS 17, 'Insurance contracts', and thereby started a new epoch of accounting for insurers. Whereas the current standard, IFRS 4, allows insurers to use their local GAAP, IFRS 17 defines clear and consistent rules that will significantly increase the comparability of financial statements. For insurers, the transition to IFRS 17 will have an impact on financial statements and on key performance indicators.

Under IFRS 17, the general model requires entities to measure an insurance contract at initial recognition at the total of the fulfilment cash flows (comprising the estimated future cash flows, an adjustment to reflect the time value of money and an explicit risk adjustment for non-financial risk) and the contractual service margin. The fulfilment cash flows are remeasured on a current basis each reporting period. The unearned profit (contractual service margin) is recognised over the coverage period.

Aside from this general model, the standard provides, as a simplification, the premium allocation approach. This simplified approach is applicable for certain types of contract, including those with a coverage period of one year or less.

For insurance contracts with direct participation features, the variable fee approach applies. The variable fee approach is a variation on the general model. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the contractual service margin. As a consequence, the fair value changes are not recognised in profit or loss in the period in which they occur but over the remaining life of the contract.

The application of the amendments had no material impact on the financial statements of the Company

IFRS 17, Insurance contracts Amendments

In response to some of the concerns and challenges raised, the Board developed targeted amendments and a number of proposed clarifications intended to ease implementation of IFRS 17, simplify some requirements of the standard and ease transition. The amendments relate to eight areas of IFRS 17, and they are not intended to change the fundamental principles of the standard.

The application of the amendments had no material impact on the financial statements of the Company.

Amendments to IAS 12, Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.

The application of the amendments had no material impact on the financial statements of the Company

Narrow scope amendments to IAS 1 'Presentation of Financial Statements', Practice statement 2 and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'
The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish changes in accounting policies from changes in accounting estimates.

The application of the amendments had no material impact on the financial statements of the Company.

Amendments to IAS 12 International Tax Reform—Pillar Two Model Rules
These amendments give companies temporary relief from accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development's (OECD) international tax reform. The amendments also introduce targeted disclosure requirements for affected companies.

The application of the amendments had no material impact on the financial statements of the Company.

(ii) Relevant new standards not yet adopted by the Company

Amendments to IAS 1 - Non-current liabilities with covenants
These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.

The effective date of the amendment is 1 January 2024.

The Directors of the Company do not anticipate that the application of the amendments in the future will have a material impact on the financial statements of the company.

Amendment to IFRS 16 – Leases on sale and leaseback
These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

The effective date of the amendment is 1 January 2024.

The Directors of the Company do not anticipate that the application of the amendments in the future will have a material impact on the financial statements of the company.

Amendments to Supplier Finance Arrangements (IAS 7 and IFRS 7)
These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

The effective date of the amendment is 1 January 2024.

The Directors of the Company do not anticipate that the application of the amendments in the future will have a material impact on the financial statements of the company.

Amendments to IAS 21 - Lack of Exchangeability (Amendments to IAS 21)
An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

The effective date of the amendment is 1 January 2025.

The Directors of the Company do not anticipate that the application of the amendments in the future will have a material impact on the financial statements of the company.

IFRS Sustainability Disclosure Standards
In June 2023, the International Sustainability Standards Board (ISSB) released its first two sustainability disclosure standards:

(a) IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information(General Requirements standard), and

(b) IFRS S2 Climate-related Disclosures (Climate standard).

The disclosure standards require that:

(a) the disclosures are prepared:
i. at the same time as annual financial statements (subject to transition relief)
ii. for the same reporting entity as financial statements, and

(b) to the extent possible, assumptions used to prepare the reporting are on the same basis as the financial statements.

The IFRS Sustainability Disclosure Standards are structured using the Task Force on Climate-related Financial Disclosures (TCFD framework) four-pillar approach, which covers governance, strategy, risk management, and metrics and targets.

The effective date of the amendment is 1 July 2028.

At the current stage of adoption, the impact of the application of the amendments in the future cannot be reasonably estimated..

(iii) Early adoption of standards
The Company did not early adopt new or amended standards in the year ended 30 June 2024.

7. Material accounting policies
Except for the changes explained in Note 6, the Company has consistently applied the following accounting policies to all periods presented in these financial statements.

(a) Foreign currency transactions
Transactions denominated in foreign currencies are translated and recorded in Naira at the actual exchange rates as of the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was measured. Foreign currency translation differences are generally recognized in income statement. Non-monetary items that are measured based on historical cost in a foreign currency are not re-measured at every reporting date.

(b) Financial instruments
Financial assets and financial liabilities are recognized in the Company's statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulations or convention in the marketplace.

Financial assets and financial liabilities - Recognition and initial measurement
Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company become a party to the contractual provisions of the instrument.

On initial recognition:

- Financial assets or financial liabilities classified as fair value through profit or loss are measured at fair value
- Trade receivables are measured at their transaction price
- All other categories of financial assets and financial liabilities are measured at their fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the instrument

i. Financial assets
Classification and subsequent measurement
The Company classifies its financial instruments into the following categories:

- Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows, and for which the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are classified and measured at amortized cost
- Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and for which the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are classified and measured at fair value through other comprehensive income
- All other financial assets are classified and measured at fair value through profit or loss
- Notwithstanding the above, the Company may
    - on initial recognition of an equity investment that is not held for trading, irrevocably elect to classify and measure it at fair value through other comprehensive income
    - on initial recognition of a debt instrument, irrevocably designate it as classified and measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

Financial assets held during the year were classified as at amortized cost: trade and other receivable and balances with related parties, restricted cash, cash and cash equivalents and investment securities.

The Company's financial assets include trade and other receivables. They are included in current assets, except for maturities greater than 12 months after the reporting date. Interest income, dividend income and exchange gains and losses on monetary items are recognised in profit or loss.

Derecognition
The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and the transfer qualifies for derecognition. Gains or losses on derecognition of financial assets are recognized in the statement of profit or loss.

ii. Financial liabilities

Classification and measurement

Financial liabilities are classified either financial liabilities at amortized cost or financial liabilities at fair value through profit or loss. The Company's financial liabilities are classified as financial liabilities at amortized cost. The Company has no financial liabilities in any other category. Management determines the classification of financial liabilities at initial recognition.

The Company's financial liabilities include borrowings, trade and other payables, amount due to related parties and accrued expenses. They are classified as current liabilities if payment is within one year or less. Otherwise, they are classified as non-current liabilities.

Financial liabilities are recognized initially at fair value, net of any transaction costs. Subsequently, they are measured at amortized cost using the effective interest method.

Recognition and derecognition

The Company recognizes a financial liability in the statement of financial position when it becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liability when it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized immediately in the statement of profit or loss.

iii. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

The legally enforceable right is not contingent on future events and is enforceable in the normal course of business, and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(c) Share capital

The Company has one class of shares, ordinary shares. Ordinary shares are classified as equity. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded in the share premium reserve.

Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

(d) Dividends

Dividends on ordinary shares are charged to equity in the period in which they are declared

(e) Property, plant and equipment

i. Recognition, measurement and derecognition

The Company's accounting policy is in accordance with IAS 16 Property, plant and equipment. Property, plant and equipment are tangible assets which the Company holds for its own use or for rental to others and which are expected to be used for more than one year. An item of property, plant and equipment is recognized as an asset when it is probable that future economic benefits associated with the item will flow to the Company, and the cost of the item can be measured reliably.

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Property, plant and equipment under construction are disclosed as capital work-in-progress. The cost of self-constructed asset includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use including, where applicable, the costs of dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognized in profit and loss in the period in which they are incurred.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of the equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Spare parts should only be capitalized when they are expected to be used during more than one accounting period. Depreciation should not start on spare parts until the part has been brought into use. Consumable spare parts that are not expected to be used during more than one accounting period should be carried as inventory and expensed in the income statement.

The carrying amount of an item of property, plant and equipment shall be derecognized on disposal or when no future economic benefits are expected from its use. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognized.

The residual value. useful life and the depreciation method of assets are reviewed at each financial year-end and, if expectations differ from previous estimates, any change is accounted for prospectively as a change in estimate under IAS 8.

ii. Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

All other repairs and maintenance are charged to profit or loss during the reporting period in which they incurred.

iii. Depreciation

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is calculated over the depreciable amount, which is the cost of an asset less its residual value. Depreciation is recognized in income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment which reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount.

Depreciation should not be charged to the income statement if included in carrying amount of another asset.

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term in which case the assets are depreciated over the useful life.

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognized.

The residual value. useful life and the depreciation method of assets are reviewed at each financial year-end and, if expectations differ from previous estimates, any change is accounted for prospectively as a change in estimate under IAS 8.

The estimated useful lives for the current and comparative years are as follows::

Buildings	–	10 to 60 years
Plant and machinery	–	2 to 50 years
Furniture and equipment	–	5 to 10 years
Motor vehicles	–	4 to 5 years
Returnable packaging materials	–	5 to 10 years

Freehold land is considered to have an indefinite useful life, hence is not depreciated.

Capital work-in-progress is not depreciated. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly

iv. Impairment

Impairment reviews on property, plant and equipment assets are only required to be carried out if circumstances indicate that the carrying values may not be recoverable. Recoverable amount of property, plant and equipment is the higher of value in use and fair value less cost to dispose the asset. When an impairment loss is recognized, the useful economic life and residual value of the asset should be reviewed and revised if necessary. The change in the assumptions should be applied prospectively from the current accounting period: the revised carrying amount should be depreciated over the revised remaining useful economic life. This 'recalibration' of the depreciation charge will be effected from the last external reporting date prior to the impairment.

v. Returnable packaging

As returnable packaging is the fixed asset of the Company, the expectation is that the customer will regularly return them, therefore they are not due for payment.

The asset values are maintained accurately through the normal depreciation process - where the gross book value of a returnable packaging asset is constantly and actively reduced throughout the period of useful life in a linear way.

Depreciation of returnable packaging:

Bottles	– 5 years
Crates	– 10 years
Kegs	– 10 years

The asset quantities must be accurate to ensure that the reported quantity of returnable packaging in fixed asset register is reliable and represents the total population of bottles/kegs/crates available for the business, therefore can serve as a basis for commercial planning, production planning and enable the right business decisions.

(f) Intangible assets

The Company's accounting policy is in accordance with IAS 38 Intangible assets. An intangible asset is recognized when it is probable that future economic benefits associated with the item will flow to the Company, and the cost of the item can be measured reliably. The probability of future economic benefits must be based on reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the life of the asset.

The Company's intangible assets with finite useful life comprises computer software and distribution right. Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses. Cost of an intangible asset separately acquired includes purchase price, including import duties, non-refundable purchase taxes, net of any trade discounts and rebates received, and directly attributable costs of preparing the asset for its intended use.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific intangible asset to which it relates, otherwise they are expensed.

Computer software can be capitalized as either a tangible or intangible asset. Where the computer software is not an integral part of the related hardware, it is treated as an intangible asset. In determining whether an asset that incorporates both intangible and tangible elements should be treated as property, plant and equipment or as an intangible asset, the Company uses judgement to assess which element is more significant.

Amortization is recognized in the income statement on a straight-line basis over the estimated useful lives of intangible assets. The amount to be amortized is the asset's cost less its residual value. The residual value of an intangible asset should be assumed to be zero unless either there is a commitment by a third-party purchaser to buy the asset or there is an active market for this kind of intangible asset. The estimated useful lives for the current and preceding years are as follows:

Computer software - SAP	–	14 years
Computer software - others	–	5 years
Distribution right	–	5 years

Amortization methods, useful lives and residual values are reviewed at each financial year-end and, if expectations differ from previous estimates, any change is accounted for prospectively as a change in estimate under IAS 8.

An intangible asset is derecognized where it is certain that there would be no future flow of economic benefit to the Company as a result of holding such asset. Any gain or loss arising from the derecognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset, and is included in profit or loss when the item is derecognized.

(g) Inventories

Inventories are assets held for sale in the ordinary course of business, in the process of production for such sale, or in the form of materials or supplies to be consumed in the production process. Inventories are measured at the lower of cost and net realizable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. The basis of costing is as follows:

Raw materials, non-returnable packaging materials and consumable spare parts	–	purchase cost on a weighted average basis including transportation and applicable clearing charges.

Finished products and products-in-process	–	average cost of direct materials and labour plus the appropriate amount attributable to production overheads based on normal production capacity.
Inventories-in-transit	–	purchase cost incurred to date.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs to completion and selling expenses.

Inventories are regularly assessed for obsolescence, or whether their carrying amount exceeds their net realizable value (sales price less costs to sell) and appropriate provisions are recognized. Inventory values are adjusted for obsolete, slowmoving or defective items. Aged spirit products are not included in obsolete provision.

After write-down has been made, net realizable value should be re-assessed in each subsequent period. If the circumstances that caused the write-down cease to exist, such that all or part of the write-down is no longer needed, it should be reversed to that extent. Similarly, if there is a clear evidence that the net realizable value has increased because of changed economic circumstances, the write-down is reversed. The new carrying value of the inventory would then be the lower of cost and the revised net realizable value.

(h) Prepayments

A prepaid expense is recognized in the balance sheet in case of short term leases (less than 12 months) and expenditures paid in advance for which the underlying asset will not be consumed until a future period. When the asset is eventually consumed, it is charged to expense. If consumed over multiple periods, there may be a series of corresponding charges to expense.

The company elected to apply the short-term lease recognition exemptions. Leases for less than 12 months or contractual value below 5,000 USD (or equivalent in Naira) are recorded as prepayments.

(i) Impairment

i. Financial assets

Recognition of impairment provisions under IFRS 9 is based on the expected credit loss (ECL) model. The ECL model is applicable to financial assets classified at amortized cost or fair value through other comprehensive income under IFRS 9: Financial instruments. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date, about past events, current conditions and forecasts of future economic conditions.

Expected credit loss is calculated by:

(1) identifying scenarios in which the trade receivable defaults;

(2) estimating the cash shortfall that would be incurred under each scenario when a default were to happen;

(3) multiplying that cash loss by the probability of the default happening; and

4) adding together the results of all possible default events.

In case of trade receivables the cash shortfall should be the difference between the amount of cash contractually due and the amount of cash the entity expects to receive over the lifetime of the receivable

The company considers the probability of default upon initial recognition of an asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- Significant unfavourable changes in the operating results or financial position of the customer;
- Negative changes in the internal and/or external credit risk indicators applicable for the customer;
- Negative credit loss experience of other peer companies;
- Accounts has already been passed to legal or external agencies for collection;
- The customer is under the process of liquidation or bankruptcy;
- Accounts are overdue by 90 days or more.
- Adverse changes in the general business, finance and market conditions (e.g. significant increase in inflation)

The simplified approach is applied for trade receivables from related party and third party customers. The simplified approach requires expected lifetime losses to be recognized from initial recognition of the receivables. Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the related financial assets and the amount of the loss is recognized in profit or loss.

The gross carrying amount of the financial asset has to be reduced (written off) in case there is no reasonable expectation of recovering the contractual cash flows on the asset in its entirety or its portion only. A write off is considered to be the derecognition of the debtor balance from the books.

ii. Non-financial assets

All non-financial assets like property, plant and equipment's, intangible assets, inventories and other non-financial assets are reviewed periodically, whether any indication of impairment exists. The carrying amount of the Company's non-financial assets, other than deferred income tax assets and inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit or CGU").

The Company's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(j) Employee benefits

i. Defined contribution plan

A defined contribution plan is a post-employment benefit plan (pension fund) under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

In line with the provisions of the Pension Reform Act 2014, the Company has instituted a defined contribution pension scheme for its management and non-management employees. Employee's contributions to the scheme are funded through payroll deductions while the Company's contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available. The Company contributes 10% and 12% for management and non-management employees respectively while employees contribute 8% of their insurable earnings (basic, housing and transport allowance). The Company has no further payment obligations once the contributions have been paid.

ii. Defined contribution gratuity scheme

The Company has a defined contribution gratuity scheme for management and non-management staff. Under this scheme, a specified amount is contributed by the Company to third party fund managers and recognized as an employee benefit expense to income statement over the service life of the employees.

iii. Other long-term employee benefits

The Company's other long-term employee benefits represents Long Service Awards payable upon completion of certain years in service and accrued over the service lives of the employees. Independent actuarial valuations are performed periodically on a projected unit credit basis. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields of Nigerian Government bonds at the end of the reporting period. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in full in profit or loss.

iv. Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits failing due more than 12 months after the end of the reporting period are discounted to present value.

v. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

vi. Share-based payment transactions

The fair value of equity settled share options and share grants is initially measured at grant date based on the binomial or Monte Carlo models and is charged in the income statement over the vesting period. For equity settled share-based payments, the credit is included in share-based payment reserve in equity whereas for cash settled share-based payments a liability is recognized in the statement of financial position, measured initially at the fair value of the liability.

For cash settled share options and share grants, the fair value of the liability is remeasured at the end of each reporting period until the liability is settled, and at the date of settlement, with any changes in the fair value recognized in the income statement. Cancellations of share options are treated as an acceleration of the vesting period and any outstanding charge is recognized in income statement immediately.

(k) Leases

i. Leases under which the Company is the lessee

On the commencement date of each lease (excluding leases with a term of 12 months or less on commencement and leases for which the underlying asset is of low value), the Company recognizes a right-of-use asset and a lease liability.

The lease liability is measured at the present value of the lease payments that are not paid on that date. The lease payments include fixed payments, variable payments that depend on an index or a rate, amounts expected to be payable under residual value guarantees, and the exercise price of a purchase option if the Company is reasonably certain to exercise that option.

The lease payments are discounted at the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate is used.

For leases that contain non-lease components, the Company allocates the consideration payable to the lease and non-lease components based on their relative stand-alone components. As a practical expedient for land leases, the Company elected not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability, any lease payments made on or before the commencement date, any initial direct costs incurred, and an estimate of the costs of restoring the underlying asset to the condition required under the terms of the lease.

Subsequently the lease liability is measured at amortized cost, subject to remeasurement to reflect any reassessment, lease modifications, or revised fixed lease payments. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, adjusted for any remeasurement of the lease liability. Depreciation is calculated using the straight-line method to write down the cost of each asset to its residual value over its estimated useful life. If ownership of the underlying asset is not expected to pass to the Company at the end of the lease term, the estimated useful life would not exceed the lease term.

For leases with a term, on commencement, of 12 months or less and leases for which the underlying asset is of low value, the total lease payments are recognized in profit or loss on a straight-line basis over the lease period.

ii. Leases under which the Company is the lessor

Leases that transfer substantially all the risks and rewards of ownership of the underlying asset to the lessee are classified as finance leases. All other leases are classified as operating leases. Payments received under operating leases are recognized as income in the profit and loss account on a straight-line basis over the lease term.

(l) Provisions and contingent liabilities

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

A provision for restructuring is recognized when the Company has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are only disclosed and not recognized as liabilities in the statement of financial position. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

(m) Revenue from Contracts with Customers

The Company recognizes revenue from the sale of goods and services in the ordinary course of activities. The Company recognizes revenue at a point in time as and when it satisfies a performance obligation by transferring control of a product or service to a customer.

Revenue is measured at the fair value of the consideration received or receivable for goods or services in accordance with the terms of the contract, and it is stated net of value added tax (VAT), rebates, discounts and returns. A valid contract is recognized as revenue after:

- The contract is approved by the parties.
- Rights and obligations are recognized.
- Collectability is probable.
- The contract has commercial substance.
- The payment terms and consideration are identifiable.

The probability that a customer would make payment is ascertained based on management's evaluation. The Company is the principal in all of its revenue arrangement since it is the primary obligor in most of the revenue arrangements, has inventory risk and determines the pricing for the goods and services.

Sale of goods

Sale of goods arises from sale of drinks to third parties and related parties. Revenue from the sale of goods is recognized when the control of the goods are transferred to the buyer. This occurs when the goods leave the Company's premises or picked up by the customers. This is at a point in time. The customer obtains the right to return goods that are bad or damaged after they have been delivered.

Revenue from sale of drinks is recognized based on the price specified in the contract, net of the estimated rebates and returns. Rebates are estimated at the inception of the contract.

Product returns for a refund or credit note
Returns on goods are estimated at the inception of the contract except where the timing between when the revenue is recognized and when the returns occur is considered immaterial. In these instances, the returns are accounted for when they occur.

The Company allows customers to return products after delivery within a certain timeframe if unsatisfactory. IFRS requires the company to estimate expected returns which should not be recognized as revenue until the return period lapses.

When a customer exercises this right to return products, the company also has a right to recover the product from the customer and will recognize an asset - Right of recovery asset in trade and other receivables and a corresponding adjustment to Cost of sales.

A refund liability of N74.61 million (2023: N83.23 million) has been recognized for the expected refunds to customers and a corresponding adjustment to revenue for the year ended 30 June 2024. A right of recovery asset of N33.71 million (2023: N44.59 million) has also been recognized in other receivables for the products to be returned and a corresponding adjustment to Cost of sales for the year ended 30 June 2024.

Advance payments
The Company has contracts with customers that requires advance payment to be made before sale of drinks can occur. The Company has considered whether the contract contains a financing component and whether that financing component is significant to the contract, including both of the following;

(a) The difference, if any, between the amount of promised consideration and cash selling price and;

(b) The combined effect of both the following:

- The expected length of time between when the Company transfers the product to their customers and when payment is received and;
- The prevailing interest rate in the relevant market.

The advance period is less than 12 months, usually within 30 days. As a result, the effect of discounting will not be material. The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Consequently, the Company does not adjust any of the transaction prices for the time value of money.

Customer deposit liability
Customer deposit liability (CDL) relates to the returnable packaging deposits that are in trade with distributors and wholesalers but are considered the company’s assets. CDL balance assessment is carried out during the financial year and CDL is posted based on physical count and business backgrounds.

Recognition of contract liabilities
The Company introduced the presentation of liabilities in the statement of financial position to reflect the requirements of IFRS 15. Contract liabilities have been reclassified from customer deposits as at 30 June 2024 which are advance payments received from customers.

Rendering of services
Revenue on delivery services are recognized when the goods have been shipped to the required location. Control passes to the customer over time as the goods are being transported but recognizes revenue at a point in time. This is because the company has assessed the impact of an overtime recognition to be immaterial since the delivery is short term in nature.

(n) Contingent assets
A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

A contingent asset is disclosed in the notes to the financial statements where an inflow of economic benefits is probable.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements of the period in which the change occurs.

Export Credit Certificate
The company treats Export Credit Certificate (ECC) as contingent asset. ECC is recognized in the period it is received and included as part of Other income in the financial statements.

(o) Finance income and finance costs
Finance income comprises interest income on funds invested. Interest income is recognized in profit or loss on a time proportion basis using the effective interest method.

Finance costs comprise interest expense on borrowings, interest expense on lease liabilities, unwinding of the discount on provisions, interest expense on factoring of trade receivables recognized on financial assets, except finance costs that are directly attributable to the acquisition, construction or production of a qualifying asset which are capitalized as part of the related assets, are recognized in income statement using the effective interest method.

Foreign currency gains and losses are reported separately as either finance income and finance cost respectively.

(p) Taxation
The tax expense for the period comprises current and deferred income tax. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity respectively.

i. Current income tax
The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

ii. Deferred income tax
Deferred tax is recognized, using the liability method, on temporary differences arising between the

carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences:

i. the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income statement

ii. differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

iii. temporary differences arising on the initial recognition of goodwill.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date, and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realized simultaneously.

Significant judgement is required in determining the Company's provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from amounts that were initially recorded, such differences will impact the current income tax and deferred income tax provisions in the period in which such determination is made.

(q) Earnings per share
The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the earnings attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the earnings attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares

(r) Statement of cash flows
The statement of cash flows is prepared using the indirect method. Changes in statement of financial position items that have not resulted in cash flows such as translation differences, fair value changes, equity-settled share-based payments and other non-cash items are eliminated for the purpose of preparing the statement of cash flows. Dividends paid to ordinary shareholders are included in financing activities. Finance cost paid is also included in financing activities while finance income received is included in investing activities.

(s) Operating segments
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Guinness Leadership Team which comprises of the members of the Board of Directors and other Executive Officers.

Segment information is required to be presented in respect of the Company's business and geographical segment, where applicable. The Company's primary format for segment reporting is based on operating segments. The operating segments are determined by management based on the Company's internal reporting structure. Where applicable, segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

(t) Service concession charges
Service concession charges represent fixed annual amounts payable to the grantor in respect of concession right to the concession asset. These amounts are charged to the income statement over the duration of the concession period, if immaterial.

(u) Cash and cash equivalents
Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities

(v) Trade receivables
Trade receivables are amounts due from customers for products sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all the amounts due according to the original terms of receivables. The amount of provision is the difference between the carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognized in the statement of profit or loss.

(w) Trade payables
Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

(x) Loans and borrowings
Loans and borrowings are recognized initially at fair value, net of transaction costs incurred. Loans and borrowings are subsequently stated at amortized cost; any differences between proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the loans and borrowings, using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawn-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Loans and borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

8. Revenue

(a) Disaggregation of revenue from contract with customers

	2024	2023
	₦'000	**₦'000**
Nigeria	295,933,171	227,348,158
Export	3,556,603	2,092,703
	299,489,774	**229,440,861**

Nigeria is the Company's primary geographical segment as over 98% of the Company's revenue is earned from sales in Nigeria. All of the Company's revenue is derived from sale of similar products with similar risks and returns. Additionally, there is no identifiable component of the business with up to 10% of the total revenue, the absolute measure of profit or loss and its assets. Thus, further segment information has not been presented.

(b) Liabilities relating to contracts with customers	30 June 2024	30 June 2023
	₦'000	**₦'000**
Contract liabilities	2,743,373	1,590,422

Contract liabilities to customers as at 30 June 2024 amounting to N2,743 million (2023: N1,590 million) is included in current liabilities in statement of financial position

Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognized in the current reporting period relates to carried-forward contract liabilities

	2024
	₦'000
Revenue recognized that was included in the contract liability balance at the beginning of the period	1,590,422

There was no revenue recognized in the current year from performance obligations satisfied in previous periods. There was no significant financing components in the contracts with customers.

9. Other income

(a) Other income comprises:

	2024	2023
	₦'000	**₦'000**
Income from leased assets (Note 15(i))	11,104	123,889
Sale of by-products	230,399	319,789
Gain on disposal of property, plant and equipment (Note 15(g))	1,582,501	1,514,394
Promissory note from Export Expansion Grant (Note 30(a))	1,353,446	1,572,514
	3,177,450	**3,530,586**

10. Finance income and finance costs

(a) Finance income is as follows:

(i) Finance income per income statement

	2024	2023
	₦'000	**₦'000**
Total interest income arising from financial assets - received	2,379,117	2,212,549
Total interest income arising from financial assets - accrued	94,383	52,363
Gain on remeasurement of foreign currency balances	19,290,954	5,524,428
	21,764,454	**7,789,340**

(ii) Finance income received in the statement of cash flows

	2024	2023
	₦'000	**₦'000**
Finance income per income statement	21,764,454	7,789,340
Unrealised exchange gain	(19,290,954)	(5,524,428)
Accrued finance income	(94,383)	(52,363)
	2,379,117	**2,212,549**

(b) Finance costs are as follows:

(i) Finance costs per income statement

	2024	2023
	₦'000	**₦'000**
Finance expense on loans and borrowings (Note 23(b))	6,573,847	1,686,864
Finance expense on loans and borrowings - accrued (Note 23(b))	1,815,944	2,307,377
Interest expense on lease liabilities (Note 24(b))	21,468	21,607
Interest expense on employee benefits (Note 25(c))	157,605	174,465
Exchange difference on foreign currency letter of credits (23(b))	2,435,456	19,603,028
Exchange difference on foreign currency intercompany loan(23(b))	20,486,715	8,050,909
Loss on remeasurement of foreign currency balances including trade and other receivables, trade and other payables and cash and cash equivalents balances	89,360,769	21,441,373
	120,851,804	**53,285,623**

(ii) Finance costs paid in the statement of cash flows

	2024	2023
	₦'000	**₦'000**
Finance costs per income statement	120,851,804	53,285,623
Interest expense on employee benefits (Note 25(c))	(157,605)	(174,465)
Accrued finance expense	(1,837,412)	(2,307,377)
Unrealised foreign exchange loss	(41,016,246)	(45,952,999)
	77,840,541	**4,850,782**

11. Profit before taxation

(a) Profit before taxation is stated after charging:

	2024	2023
	₦'000	**₦'000**
Depreciation of property, plant and equipment (Note 15(a))	9,879,735	9,259,736
Depreciation of right-of-use assets (Note 24(a))	50,965	133,844
Impairment loss on property, plant and equipment (Note 15(b))	789,289	73,515
Amortization of intangible assets (Note 16(a))	149,767	88,385
Auditor's remuneration	43,782	43,782
Personnel expenses (Note12 (a))	18,031,165	16,571,391
Directors' remuneration (Note 11(b))	1,162,498	736,038
Gain on disposal of property, plant and equipment (Note 15(g))	(1,582,501)	(1,514,394)
Rental expenses	1,014,584	515,180
Royalty and technical service fees (Note 31 (b)(ii))	1,710,897	1,537,233

In addition to the statutory audit fee above, PwC received N88.3 million (2023: N93.4 million) for SOx testing and Group reporting towards the integrated audit of Diageo Plc.

(b) Directors' remuneration

Remuneration, excluding gratuity and pension contributions for Directors of the Company, who discharged their duties mainly in Nigeria, was as follows:

	2024	2023
	₦'000	**₦'000**
Fees paid to Non-Executive Directors	65,298	69,857
Fees and remuneration paid to the Chairman	38,299	35,935
Remuneration paid to Executive Directors (Note 31(c))	1,058,901	630,246
	1,162,498	**736,038**

The remuneration (excluding gratuity and pension contributions) of the highest paid Director amounted to N756 million (2023: N259 million).

Remuneration paid to the Executive Directors is included as part of personnel cost in Note 12(a), while Fees and remuneration paid to the Non-Executive Directors and the Chairman is included as part of Other miscellaneous expenses in Note 11(c).

The table below shows the number of directors of the Company (excluding the Chairman) whose remuneration excluding certain benefits, gratuity and pension contributions (in respect of services to the Company) fell within the bands shown below:

	2024	2023
	Number	**Number**
N2,000,001 - N20,000,000	7	9
N100,000,001 and N200,000,000	-	1
N200,000,001 and above	2	2
	10	**12**

NOTES TO THE FINANCIAL STATEMENTS

(c) Analysis of expenses by nature

	2024	2023
	₦'000	**₦'000**
Raw materials and consumables (Note 18(a))	149,019,423	106,569,228
Freight costs	21,999,788	20,627,364
Advertising and promotion	27,690,417	20,621,481
Personnel expenses (Note 12(a))	18,031,165	16,571,391
Depreciation of property, plant and equipment (Note 15(a))	9,879,735	9,259,736
Depreciation of right-of-use assets (Note 24(a))	50,965	133,844
Amortization of intangible assets (Note 16(a))	149,767	88,385
Impairment loss on property, plant and equipment (Note 15(b))	789,289	73,515
Reversal of impairment on (non-financial) other receivables (Note 19(a))	(44,570)	—
Charge for expected credit loss on (financial) trade and other receivables (Note 29(a)(iii))	15,987	9,106
Rental expenses	1,014,584	515,180
Royalty and technical service fees (Note 31(b)(ii))	1,710,897	1,537,233
Repairs and maintenance	12,029,407	8,931,362
Travel and entertainment	3,761,208	1,788,557
Professional costs*	2,463,544	2,513,130
External labour costs	1,618,441	1,506,199
Facilities	4,826,132	4,211,999
IT service costs	506,862	625,502
Utilities	11,819,653	7,153,950
Cleaning of plant and machineries	7,209,602	4,925,843
Other miscellaneous expenses	2,717,447	1,950,758
Total expenses	**277,259,743**	**209,613,763**

*Included in professional costs above is the sum of N2 million (2023: N3 million) and N14.6 million (2023: N14.3 million) paid to Ernst & Young Professional Services in Nigeria for Actuarial and Tax services rendered to the company.

The name of the professional, FRC registration number of the professional, name of professional firm as well as the summary of the services rendered are as follow:

Name of signer	FRC number	Name of firm	FRC number	Services rendered
Miller Kingsley	FRC/2012/NAS/00000002392	Ernst & Young	FRC/2023/COY/209403	Actuarial valuation services
James Adeagbo	FRC/2020/004/00000021900	Ernst & Young	FRC/2023/COY/209403	Tax compliance services

Total expenses is analysed as below:

	2024	2023
	₦'000	**₦'000**
Cost of Sales	208,031,003	151,307,788
Marketing and distribution expenses	49,690,205	41,248,845
Administrative expenses	19,522,548	17,048,024
Net charge for expected credit loss on financial assets (Note 29(a)(iii))	15,987	9,106
	277,259,743	**209,613,763**

12. Personnel Expenses

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

	2024	2023
	₦'000	**₦'000**
Salaries, wages and allowances	15,833,470	15,478,152
Contributions to defined contribution plans (Note 25(d) and Note 25(e))	1,332,832	1,264,069
Share-based payments expense/(credit) (Note 26(c))	82,882	(58,994)
Other long term employee benefits (Note 25(b))	230,956	(70,506)
Charge/(release) of termination expense	551,025	(41,330)
Total personnel expenses	**18,031,165**	**16,571,391**

(b) The average number of persons employed during the year are:

	2024	2023
	Number	**Number**
Operations and Technical	370	344
Sales	338	346
Marketing	27	28
Finance, IT and Human Resources	50	63
Legal and Corporate Affairs	11	10
	796	**791**

(c) The average number of employees of the Company during the year, whose duties were wholly or mainly discharged in Nigeria, received annual remuneration (excluding pension contributions and certain benefits) in the following ranges:

			2024	2023
			Number	**Number**
N100,000	–	N500,000	–	–
N500,001	–	N1,000,000	–	–
N1,000,001	–	N1,500,000	2	–
N1,500,001	–	N2,000,000	21	–
N2,000,001	–	N2,500,000	2	–
N2,500,001	–	N3,000,000	10	–
N3,000,001	–	N3,500,000	24	–
N3,500,001	–	N4,000,000	13	–
N4,000,001	–	N4,500,000	6	–
N4,500,001	–	N5,000,000	7	21
N5,000,001	–	N5,500,000	3	33
N5,500,001	–	N6,000,000	21	20
N6,000,001	–	N6,500,000	17	18
N6,500,001	–	N7,000,000	9	19
N7,000,001	–	N7,500,000	23	48
N7,500,001	–	N8,000,000	15	112
N8,000,001	–	N8,500,000	14	22
N8,500,001	–	N9,000,000	16	20
N9,000,001	–	N9,500,000	16	8
N9,500,001	–	N10,000,000	11	47
N10,000,001 and above			566	423
			796	**791**

NOTES TO THE FINANCIAL STATEMENTS

13. Taxation

The tax charge for the year has been computed after adjusting for certain items of expenditure and income, which are not deductible or chargeable for tax purposes, and comprises:

(a) Amounts recognized in income statement	2024 ₦'000	2023 ₦'000
Current tax expense:		
Income tax	1,684,439	4,474,051
Tertiary education tax	—	624,228
Capital Gains Tax	—	73
Police Trust Fund Levy	—	—
Prior years under-provision	522,436	895,019
	2,206,875	**5,993,371**
Deferred tax credit:		
Reversal of temporary differences (Note 27(b))	(21,119,968)	(9,963,929)
Total tax (credit)/expense	**(18,913,093)**	**(3,970,558)**

(b) Tax (credit)/expense recognized in other comprehensive income	2024 ₦'000	2023 ₦'000
Deferred tax arising on remeasurement of defined benefit liability (Note 27(b))	—	—

(c) Reconciliation of effective tax rate	2024 ₦'000	2023 ₦'000
(Loss)/profit before taxation	(73,679,869)	(22,138,599)
Income tax using the statutory tax rate (30%)	(22,103,961)	(6,641,580)
Adjusted for:		
Impact of tertiary education tax	—	624,228
Capital Gains Tax	—	73
Minimum tax payable	1,684,439	—
Non-deductible expenses	1,511,461	11,245,231
Prior years under-provision	522,436	895,019
Effect of timing differences	(527,468)	(10,093,529)
Total income tax (credit)/expense in income statement	**(18,913,093)**	**(3,970,558)**

(d) Movement in current tax liability	2024 ₦'000	2023 ₦'000
Balance at 1 July	5,256,637	8,740,294
Payments during the year	(4,959,969)	(9,477,028)
Charge for the year	1,684,439	5,098,352
Prior years under-provision	522,436	895,019
Balance at the end of period	**2,503,543**	**5,256,637**

14. Earnings and declared dividend per share

(a) Basic and diluted earnings per share

	2024	2023
Loss attributable to ordinary shareholders (N'000)	(54,766,776)	(18,168,041)
Weighted average number of shareholders (thousands)	2,190,383	2,190,383
Basic and diluted earning per share (kobo)	(2,500)	(829)

There were no dilutive ordinary potential shares during the years presented, hence basic and diluted loss per share have the same values.

(b) Declared dividend per share

There was no dividend declared in the year ended 30 June 2024 (2023: N15,639,333).

15. Property, plant and equipment (PPE)

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

	Freehold Land	Buildings	Plant & Machinery	Furniture & Equipment	Motor Vehicles	Returnable Packaging Materials	Capital Work-in-Progress	Total
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Cost								
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**
Reclassification to intangibles (Note 16)	—	—	—	—	—	—	(510,424)	(510,424)
Additions	120,144	484,050	3,096,989	51,121	850,416	4,397,924	2,335,101	11,335,745
Transfers	711,210	4,078,459	5,000,403	112,070	101,042	502,365	(10,505,549)	—
Write-offs (Note 15(b))	—	(12,459)	(778,630)	(162,502)	(3,105,921)	(13,459,612)	4,691	(17,514,433)
Disposal (Note 15(g))	—	—	—	(3,683)	(244,655)	(562,593)	—	(810,931)
At 30 June 2023	**9,159,782**	**25,574,124**	**107,512,876**	**444,735**	**6,494,972**	**23,353,205**	**2,748,094**	**175,287,788**
At 1 July 2023	**9,159,782**	**25,574,124**	**107,512,876**	**444,735**	**6,494,972**	**23,353,205**	**2,748,094**	**175,287,788**
Reclassification to intangibles (Note 16)	—	—	—	—	—	—	(22,586)	(22,586)
Additions	200,046	497,610	3,121,763	17,385	320,350	2,880,446	5,804,205	12,841,805
Transfers	554,599	110,980	1,207,356	7,007	—	29,859	(1,909,801)	—
Write-offs (Note 15(b))	—	(19,370)	(6,250,347)	(83,005)	(61,242)	(1,409,205)	(417,081)	(8,240,250)
Disposal (Note 15(g))	—	—	—	—	(77,465)	—	—	(77,465)
At 30 June 2024	**9,914,427**	**26,163,344**	**105,591,648**	**386,122**	**6,676,615**	**24,854,305**	**6,202,831**	**179,789,292**
Depreciation and impairment								
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	—	(540,916)	(4,995,295)	(13,630)	(935,551)	(2,774,344)	—	(9,259,736)
Write-offs (Note 15(b))	—	12,193	704,927	162,465	3,101,721	13,459,612	—	17,440,918
Disposals (Note 15(g))	—	—	—	3,683	244,655	562,593	—	810,931
At 30 June 2023	**(144,120)**	**(5,625,399)**	**(52,034,094)**	**(282,954)**	**(4,039,134)**	**(13,984,440)**	**—**	**(76,110,141)**
At 1 July 2023	**(144,120)**	**(5,625,399)**	**(52,034,094)**	**(282,954)**	**(4,039,134)**	**(13,984,440)**	**—**	**(76,110,141)**
Charge for the year	—	(594,044)	(5,071,875)	(21,299)	(948,469)	(3,244,048)	—	(9,879,735)
Write-offs (Note 15(b))	—	13,718	5,893,768	81,803	60,720	1,400,952	—	7,450,961
Disposals (Note 15(g))	—	—	—	—	71,020	—	—	71,020
At 30 June 2024	**(144,120)**	**(6,205,725)**	**(51,212,201)**	**(222,450)**	**(4,855,863)**	**(15,827,536)**	**—**	**(78,467,895)**
Carrying amount								
At 30 June 2023	**9,015,662**	**19,948,725**	**55,478,782**	**161,781**	**2,455,838**	**9,368,765**	**2,748,094**	**99,177,647**
At 30 June 2024	**9,770,307**	**19,957,619**	**54,379,447**	**163,672**	**1,820,752**	**9,026,769**	**6,202,831**	**101,321,397**

All assets are domiciled in Nigeria.

(b) Impairment loss on property, plant and equipment

i) During the year, the Company identified assets which are idle, damaged, obsolete and those relating to discontinued brands which are unable to generate future economic benefit to the Company through continued operational usage, hence, these assets were written off. The carrying value of assets written off is N789 million (2023: 74 million) as analysed below:

	Cost	Accumulated Depreciation	Net Book Value
	₦'000	**₦'000**	**₦'000**
Assets write-offs			
At 30 June 2023	17,514,433	(17,440,918)	73,515
At 30 June 2024	8,240,250	(7,450,961)	789,289

ii) The total impairment loss recognized in the year is as analysed below:

	Asset write-off	Additional impairment	Total
	₦'000	**₦'000**	**₦'000**
Impairment loss on property, plant and equipment			
At 30 June 2023	73,515	—	73,515
At 30 June 2024	789,289	—	789,289

Other than the write-offs executed during the year ended 30 June 2024 there was no further impairment charge arising from the impairment testing of the company

(c) Capital work-in-progress
Additions to capital work-in-progress' during the year comprises the following:

	2024	2023
	₦'000	**₦'000**
Plant and machinery	5,804,205	2,335,101

(d) Included in property, plant and equipment are assets purchased during the year that had not been paid for and included in trade and other payables, amounting to N3.55 billion (2023: N2.67 billion). This has been adjusted for in the statement of cash flows. Refer to Note 15(f) and Note 28(b)

(e) Capital expenditure commitments at the year end authorized by the Board of Directors comprise:

	2024	2023
	₦'000	**₦'000**
Contracted	4,541,606	7,059,207
Not contracted	28,162,814	11,560,894
	32,704,420	**18,620,101**

(f) Cash paid on acquisition of property, plant and equipment in the statement of cash flows:

	2024	2023
	₦'000	**₦'000**
Additions during the year (Note 15(a))	12,841,805	11,335,745
Payments on prior year acquisitions (Note 28(b))	835,500	1,249,592
Unpaid invoices on current year acquisitions (Note 28(b))	(3,545,453)	(2,668,556)
	10,131,852	**9,916,781**

(g) PPE disposed/written off in the statement of cash flows:

	2024	2023
	₦'000	₦'000
Cost of property, plant and equipment disposed (Note 15(a))	77,465	810,931
Accumulated depreciation on property, plant and equipment disposed (Note 15(a))	(71,020)	(810,931)
Net book value of property, plant and equipment disposed	6,445	—
Proceeds from disposal of property, plant and equipment	(1,588,946)	(1,514,394)
Gain on disposal of property, plant and equipment (Note 9(a))	**(1,582,501)**	**(1,514,394)**
Cost of property, plant and equipment written off (Note 15(a))	8,240,250	17,514,433
Accumulated depreciation on property, plant and equipment written off (Note 15(a))	(7,450,961)	(17,440,918)
Carrying amount of property, plant and equipment written off	789,289	73,515
Net book value of property, plant and equipment written off	**789,289**	**73,515**

(h) No borrowing costs were capitalised during the year (2023: Nil).

(i) Included in property, plant and equipment are motor vehicles, which the Company has leased out to third parties under operating lease arrangements. The net book value of the assets at the end of the year is Nil (2023: Nil). Income realized from these assets is included in other income as N11 million (2023: N124 million). Minimum lease payments receivable on leases of vehicles is N184 million (2023: N196 million), with the last billing date due in February 2025.

(j) There are no assets pledged as security as at 30 June 2024 (2023: Nil).

16. Intangible assets

(a) The movement in intangible assets during the year is as follows:

	Distribution Rights	Computer software	Total
	₦'000	₦'000	₦'000
Cost			
Balance at 1 July 2022	995,250	232,831	1,228,081
Reclassification from tangibles (Note 15)	—	510,424	510,424
Additions	—	127,585	127,585
Write-offs	—	(31,134)	(31,134)
Balance at 30 June 2023	**995,250**	**839,706**	**1,834,956**
Balance at 1 July 2023	995,250	839,706	1,834,956
Reclassification from tangibles (Note 15)	—	22,586	22,586
Additions	—	58,351	58,351
Write-offs	—	(1,767)	(1,767)
Balance at 30 June 2024	**995,250**	**918,876**	**1,914,126**
Amortization			
Balance at 1 July 2022	(995,250)	(232,505)	(1,227,755)
Charge for the year	—	(88,385)	(88,385)
Write-offs	—	31,134	31,134
Balance at 30 June 2023	**(995,250)**	**(289,756)**	**(1,285,006)**
Balance at 1 July 2023	(995,250)	(289,756)	(1,285,006)
Charge for the year	—	(149,767)	(149,767)
Write-offs	—	1,767	1,767
Balance at 30 June 2024	**(995,250)**	**(437,756)**	**(1,433,006)**
Carrying amount			
At 30 June 2023	—	549,950	549,950
At 30 June 2024	—	481,120	481,120

(b) The amortization charge of all intangible assets is included in administrative expenses.

(c) Distribution rights relates to the distribution rights of Diageo plc's international premium spirits brands (IPS) in Nigeria. Guinness Nigeria Plc purchased the distribution rights to Diageo plc's international premium spirits (IPS) brands in Nigeria with effect from 1 January 2016 and the rights was amortized over a period of five (5) years which gives Guinness Nigeria Plc the right to distribute and market the IPS brands in Nigeria. The distribution right remains in place after full amortization of the asset, but are granted by the brand owners at no cost to the company.

17. Prepayments

Prepayments comprise:

	30 June 2024	30 June 2023
	₦'000	**₦'000**
Prepaid rent	84,520	202,579
Other prepaid expenses	265,967	200,316
Prepayment for raw materials	1,210,754	1,240,109
	1,561,241	**1,643,004**

Prepayments is analysed into:

	₦'000	**₦'000**
Non-current	—	—
Current	1,561,241	1,643,004
	1,561,241	**1,643,004**

Other prepaid expenses relate to housing and education subsidies, leave allowance and insurance. Prepaid rent disclosed is out of scope of IFRS16, hence accounting policy in Note 7(h) has been applied.

All prepayments are amortized before 30 June 2025, hence no amount is disclosed as non-current prepayment.

18. Inventories

(a) Inventories comprise:

	30 June 2024	30 June 2023
	₦'000	**₦'000**
Finished products	8,728,157	9,987,251
Products in process	3,299,862	3,179,126
Raw materials and packaging materials	17,403,178	6,265,448
Engineering spares	11,222,285	12,412,069
Inventories in transit	1,203,997	2,625,633
	41,857,479	**34,469,527**

Inventory balances have been disclosed net of provision for impairment as at year end.

The value of raw and packaging materials, spare parts, changes in finished products and products in process recognized in cost of sales during the year amounted to N149,019 million (2023: N106,569 million) Note 11(c). This amount includes impairment on slow movement inventories which was N731 million (2023:N4,502 million) as well as provision release on inventories N1,495 million (2023: N534 million). The net effect in the income statement is N764 million (2023: N3,967 million) and has been adjusted for in the statement of cash flows.

19. Trade and other receivables

(a) Trade and other receivables comprise:

	30 June 2024	30 June 2023
	₦'000	**₦'000**
Financial assets:		
Trade receivables	16,537,238	14,451,877
Expected credit loss (Note 29(a))	(4,482,125)	(4,466,138)
	12,055,113	**9,985,739**
Other receivables	195,582	94,815
Amounts due from related parties (Note 31(b))	163,212	23,541
Total financial assets	**12,413,907**	**10,104,095**
Non-financial assets:		
Other receivables - current*	967,947	2,069,898
Impairment loss	(156,124)	(200,695)
Total non-financial assets	**811,823**	**1,869,203**
Total trade and other receivables	**13,225,730**	**11,973,298**

*A right of recovery asset of N33.71 million is recognized in Other receivables for the products to be returned with a corresponding adjustment to Cost of sales for the year ended 30 June 2024.

As per the Company's assessment, the expected credit loss for intercompany receivables is insignificant.

The Company has impairment loss recognized for aged debit balance vendors. At the beginning of the year ended 30 June 2024, there was impairment recognized for a total of 4 debit balance vendors. The Company does not expect to recover any cash from these assets. Therefore recoverable amount of these balances were expected to be Nil, based on their value in use as no further cash inflow or outflow is expected in the future. During the year, 45 million of the impairment has been reversed through Administrative expenses, as the the outstanding balance has been settled with one of the vendors.

All items under Trade and other receivables are measured at amortized cost. The carrying amount is a reasonable approximation of fair value.

Movement of impairment provision of non-financial assets is as follows:

	2024	2023
	₦'000	**₦'000**
Opening balance	(200,695)	(200,695)
Reversal of impairment	44,570	—
	(156,125)	**(200,695)**

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

	2024	2023
	₦'000	**₦'000**
Change in current trade and other receivables	(1,252,432)	865,493
Unrealized exchange gain	15,730,014	1,681,312
Accrued finance income (Note 10(a))	94,383	52,363
Reversal of impairment on (non-financial) other receivables (Note 19(a))	44,570	—
Charge for of expected credit loss on (financial) trade and other receivables (Note29(e))	(15,987)	(9,106)
	14,600,548	**2,590,062**

20. Cash and cash equivalents

(a) Restricted cash

	30 June 2024	30 June 2023
	₦'000	₦'000
Restricted cash	1,106,760	1,592,461

Restricted cash relates to unclaimed dividends held in a separate interest bearing bank account in accordance with guidelines issued by the Securities and Exchange Commission (SEC). Under the SEC guidelines, these amounts are restricted from use by the Company

(b) Cash and cash equivalents	30 June 2024	30 June 2023
	₦'000	₦'000
Bank balances	29,804,346	73,424,683
Short-term deposits	16,000,000	18,700,000
Cash and cash equivalents	45,804,346	92,124,683
Cash and cash equivalents in the statement of cash flows	45,804,346	92,124,683

Cash and cash equivalents have maturities less than three months. Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments and bank overdrafts

21. Share capital and reserves

(a) Minimum share capital
in thousands of shares

	30 June 2024	30 June 2023
At the end of year	2,190,383	2,190,383

(b)Issued and fully paid-up ordinary shares of 50k each
in thousands of shares

	30 June 2024	30 June 2023
At the end of year	2,190,383	2,190,383
	₦'000	₦'000
Share capital	1,095,191	1,095,191

(c) Share premium
Share premium represents the consideration received in excess of the nominal value of ordinary shares of theCompany.
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.

22. Dividends

(a) Declared dividend
The following dividends were declared and paid by the Company during the year:

	2024	2023
	₦'000	₦'000
Nil (2023: 714 kobo)	—	15,639,333

After the respective reporting dates, the following dividends were proposed by the Directors

	2024	2023
	₦'000	₦'000
Nil (2023: Nil)	—	—

(b) Dividend payable	2024	2023
	₦'000	₦'000
At 1 July	1,695,832	1,933,364
Declared dividend (Note 22(a))	—	15,639,333
Declared, but not yet paid dividend (Note 31(b))	—	(9,074,535)
Unclaimed dividend transferred to retained earnings	(503,626)	(252,599)
Effect of accruals for unclaimed dividend with Registrar	42,395	65,067
Payments during the year:		
Paid by the registrar	(50,051)	(50,000)
Cash and cash equivalents	—	(6,564,798)
At 30 June	**1,184,550**	**1,695,832**

Dividend payable is represented by	2023	2022
	₦'000	₦'000
Restricted cash (Note 20(a))	1,106,760	1,592,461
Unclaimed dividend with Registrar	77,790	103,371
At 30 June	**1,184,550**	**1,695,832**

Changes in dividend payables in the statement of cash flows:	2024	2023
	₦'000	₦'000
Change in dividend payables	(25,581)	(100)
Deposit refund from registrar for unclaimed dividend	67,976	65,167
Funds transferred to Registrar	(50,051)	(50,000)
	(7,656)	**15,067**

(c). The balance of N1,107 million (2023: N1,592 million) represents unclaimed dividends, which is held in separate interest yielding bank accounts in line with the Security and Exchange Commission (SEC) guidelines.

(d). During the year, unclaimed dividends amounting to N504 million (2023: N253 million) became statute barred and was transferred into retained earnings.

23. Loans and borrowings

(a) Loans and borrowings comprise:

	2024	2023
	₦'000	₦'000
Related party loans (Note 23(c))	39,318,754	17,925,469
Letters of credit (Note 23(c))	814,146	45,830,470
Total loans and borrowings	**40,132,900**	**63,755,939**

The total loans and borrowings is classified as follows:

	2024	2023
	₦'000	₦'000
Current liabilities		
Related party loans	39,318,754	17,925,469
Letters of credit	814,146	45,830,470
Total loans and borrowings	**40,132,900**	**63,755,939**

As at 30 June 2024, the Company had an outstanding related party loan of $22,5 million (2023: $22.5 million) included in loans and borrowing. The Naira equivalent is N39,319 million (2023: N17,925 million). The interest rate applied for the loan is SOFR plus 251 bps.

(b) Movement in loans and borrowings

	2024	2023
	₦'000	₦'000
At 1 July	63,755,939	31,309,343
Proceeds from loans and borrowings obtained during the year	3,889,841	12,383,535
Finance cost:		
– Finance expense on loans and borrowings (Note 10(b))	6,573,847	1,686,865
– Interest expense accrued (Note 10(b))	(491,433)	2,307,377
Withholding tax deducted on interest expense	(100,191)	(51,408)
Exchange difference on foreign currency letter of credits (Note 10(b))	2,435,456	19,603,028
Exchange difference on foreign currency intercompany loan (Note 10(b))	20,486,715	8,050,909
Interest paid	(6,573,847)	(1,686,864)
Loans repaid during the year	(49,843,427)	(9,846,846)
At the end of period	**40,132,900**	**63,755,939**

(c) Net cash

	30 June 2024	30 June 2023
	₦'000	₦'000
Cash and cash equivalents (Note 20(b))	45,804,346	92,124,683
Loans and borrowings - current	(40,132,900)	(63,755,939)
	5,671,446	**28,368,744**

For more information about the Company's exposure to interest rate, foreign currency and liquidity risks, see Note 29.

Terms and conditions of the outstanding loans and borrowings are as follows::

	Nominal Interest Rate	Maturity	Carrying Amount 2024	Face Value 2024	Carrying Amount 2023	Face Value 2023
			₦'000	₦'000	₦'000	₦'000
Letters of credit - SCB	3-month LIBOR + 4.25%	1 year	–	–	15,296,267	15,296,267
Letters of credit - CITI	3-months LIBOR +6%	1 year	75,458	75,458	5,151,901	5,151,901
Letters of credit - FBN	3-months LIBOR +10%	1 year	–	–	1,943,061	1,943,061
Letters of credit - STANBIC	3-months LIBOR +6%	1 year	–	–	10,128,855	10,128,855
Letters of credit - UBA	3-months LIBOR +7%	1 year	134,272	134,272	2,898,230	2,898,230
Letters of credit - FCMB	3-months LIBOR +7%	1 year	214,444	214,444	3,172,456	3,172,456
Letters of credit - Union	3-months LIBOR +4%	1 year	10,611	10,611	2,506,872	2,506,872
Letters of credit - Zenith	3-months LIBOR +9%	1 year	379,361	379,361	4,732,828	4,732,828
Intercompany loan	SOFR+2.51%	June 2025	39,318,754	39,318,754	17,925,469	17,925,469
			40,132,900	40,132,900	63,755,939	63,755,939

24. Leases

(a) Right-of-use assets

Movement in right-of-use assets:

	Land & Building	Total
	₦'000	**₦'000**
Gross carrying value		
At 1 July 2022	844,264	844,264
Remeasurement of right-of-use assets (Note 24(b))	(17,094)	(17,094)
Write-off	(89,355)	(89,355)
At 30 June 2023	**737,815**	**737,815**
At 1 July 2023	737,815	737,815
Remeasurement of right-of-use assets (Note 24(b))	(35,429)	(35,429)
Write-off*	(562,807)	(562,807)
At 30 June 2024	**139,579**	**139,579**
Accumulated depreciation		
At 1 July 2022	(475,752)	(475,752)
Depreciation charge (Note 11(c))	(133,844)	(133,844)
Write-off	89,355	89,355
At 30 June 2023	**(520,241)**	**(520,241)**
At 1 July 2023	(520,241)	(520,241)
Depreciation charge (Note 11(c))	(50,965)	(50,965)
Write-off*	562,807	562,807
At 30 June 2024	(8,399)	(8,399)
Net book value at 30 June 2023	**217,574**	**217,574**
Net book value at 30 June 2024	**131,180**	**131,180**

*The Company leases warehouses and buildings. During the year ended 30 June 2024, the Company moved into its new head office, hence the contract for previous head office has been derecognised.

(b) Lease liabilities

Movement in lease liabilities:

	₦'000
At 1 July 2022	177,195
Remeasurement (Note 24(a))	(17,095)
Interest expense on leases (Note 10(b))	21,607
Repayment of lease liabilities:	
Repayment of the principal portion of the lease liabilities	(5,799)
Interest paid on lease liabilities	(21,607)
At 30 June 2023	**154,301**
Presented as:	
Current lease liabilities	29
Non-current lease liabilities	154,272
At 30 June 2023	**154,301**

	₦'000
At 1 July 2023	154,301
Remeasurement (Note 24(a))	(35,429)
Interest expense on leases (Note 10(b))	21,468
Repayment of lease liabilities:	
Repayment of the principal portion of the lease liabilities	(4,998)
Interest paid on lease liabilities	-
At 30 June 2024	**135,342**
Presented as:	
Current lease liabilities	17
Non-current lease liabilities	135,325
At 30 June 2024	**135,342**

The company elected to apply the short-term lease recognition exemptions. In the year ended 30 June 2024 there were no low value leases. The expense relating to short-term leases is 5.8 million (2023: 10.1 million). The short term leases comprise of warehouse rents.

25. Employee benefits

The defined benefit obligation (gratuity) and long service award are based upon independent actuarial valuation conductedby Miller Kingsley (FRC/2012/NAS/00000002392) of Ernst & Young, Nigeria.

	30 June 2024 ₦'000	30 June 2023 ₦'000
Present value of long service awards (Note 25(b))	1,363,939	1,155,169
	1,363,939	**1,155,169**

(a) Movement in the present value of the defined benefit obligation (gratuity)

	2024	2023
	₦'000	₦'000
Defined benefit obligation at 1 July	—	270,424
Benefit paid by the plan	—	(14,310)
Transfer out to Fund Managers	—	(334,421)
Interest expense on obligation	—	27,298
Past service cost - Curtailment loss	—	51,009
Actuarial losses/(gains) recognized in other comprehensive income		
Remeasurements arising from changes in assumption	—	—
Remeasurements arising from experience adjustment	—	—
	—	**—**
Defined benefit obligation at 30 June	**—**	**—**

The staff retention benefit plan was terminated by the management of Guinness Nigeria Plc on 30 June 2023. To bring a closure to the scheme, the participants were transferred to their fund managers with a total Packed Gratuity of N334 million.

This event resulted in a past service cost of N51 million due to curtailment for the fiscal year ended 30 June 2023.

(b) Movement in the present value of the long service award during year is as follows:

	2024	2023
	₦'000	**₦'000**
Long service award at 1 July	1,155,169	1,257,751
Interest cost	157,605	147,167
Current service cost	127,690	141,238
Other movements	—	(294)
Benefit paid by the plan	(179,791)	(178,949)
Actuarial losses/(gains):		
Remeasurements arising from changes in assumption	(44,700)	(150,272)
Remeasurements arising from experience adjustment	147,966	(61,472)
Long service award at 30 June	**1,363,939**	**1,155,169**

Expense recognized in the income statement for long service award:

	2024	2023
	₦'000	**₦'000**
Current service costs	127,690	141,238
Actuarial (gains)/losses:		
Remeasurements arising from changes in assumption	(44,700)	(150,272)
Remeasurements arising from experience adjustment	147,966	(61,472)
Net (credit)/expense excluding interest on obligation	230,956	(70,506)
Interest expense on obligation	157,605	147,167
	388,561	**76,661**

(c) Total expense recognized on the income statement for defined benefit obligation and long service award includes:

	2024	2023
	₦'000	**₦'000**
Current service costs	127,690	141,238
Past service cost - Curtailment loss	—	51,009
Actuarial losses/(gains)		
Remeasurements arising from changes in assumption	(44,700)	(150,272)
Remeasurements arising from experience adjustment	147,966	(61,472)
	230,956	**(19,497)**
Interest expense on obligation		
Defined benefit obligation (gratuity) (Note 25(a))	—	27,298
Long service award (Note 25(b))	157,605	147,167
	157,605	**174,465**
	388,561	**154,968**

(d) Movement in the defined contributory pension scheme during year is as follows:

	2024	2023
	₦'000	**₦'000**
At 1 July	—	—
Charge for the year (employee contribution)	735,319	620,011
Payments during the year	(735,319)	(620,011)
At 30 June	**—**	**—**

(e) Pension payable
The balance on the pension payable account represents the amount due to the Pension Fund Administrators which was yet to be remitted as at the year end. The movement in this account during the year is as follows:

	2024	2023
	₦'000	**₦'000**
At 1 July	107,790	97,810
Charge for the year (employer contribution)	597,513	644,058
Payments during the year	(705,303)	(634,078)
At 30 June	**—**	**107,790**

Pension payable is recognized as part of other payables and accrued expenses in trade and other payables.

(f) Actuarial assumptions
Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	2024	2023
Long term average discount rate (per annum)	17.5%	14.5%
Notional interest rate on accrued gratuity (per annum)	N/A	N/A
Average pay increase (per annum)	16.0%	14.0%
Average rate of inflation (per annum)	16.0%	13.5%
Average length of service for current employees (years)	7.88	8.82

These assumptions depict management's estimate of the likely future experience of the Company.

Due to unavailability of published reliable demographic data in Nigeria, the demographic assumptions regarding future mortality are based on the rates published jointly by the Institute and Faculty of Actuaries in the United Kingdom (UK) as follows:

	2024	**2023**
Mortality in service	**Number of deaths in year out of 10,000 lives**	
Sample age		
25	7	7
30	7	7
35	9	9
40	14	14
45	26	26

Withdrawal from service

Age band	**Rate**	**Rate**
1 - 30	11.2%	11.2%
31 - 39	9.2%	9.2%
40 - 44	5.7%	5.7%
45 - 50	4.7%	4.7%
51 - 55	6.1%	6.1%

The estimated weighted average liability duration were 5.7 years (2023: 5.58 years) for the long service award obligation.

(g) Sensitivity analysis
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions holding other assumptions constant would have affected the defined benefit obligation by the amounts shown below.

		2024	2024	2024	2023	2023	2023
		Gratuity	**Long Service Awards**	**Net periodic benefit cost***	**Gratuity**	**Long Service Awards**	**Net periodic benefit cost***
		₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Discount rate	+1%	—	(58,812)	1,682	—	(53,073)	2,643
	-1%	—	63,738	(2,046)	—	57,737	(3,075)
Inflation rate	+1%	—	11,850	2,073	—	7,282	1,056
	-1%	—	(11,048)	(1,934)	—	(6,762)	(981)
Salary increase	+1%	—	58,313	10,204	—	55,533	8,052
	-1%	—	(54,624)	(9,560)	—	(51,856)	(7,519)
Mortality Experience	Age rated up by by 1 year	—	(2,871)	(503)	—	(2,508)	(364)
	Age rated down by 1 year	—	2,564	448	—	2,241	325

*Net periodic benefit cost is the total impact on the profit or loss.

Sensitivity to each actuarial assumption was determined while other assumptions were held constant. There has not been a change from the sensitivity approach adopted in prior years. Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Risk exposure
Through its defined benefit obligation plans and long service awards, the Company is exposed to a number of risks, the most significant of which are detailed below:

i) Liquidity risk	The plan liabilities are not funded and as a result, there is a risk of the Company not having the required cash flow to fund future defined benefit obligations as they fall due..
ii) Inflation risk	This is the risk of an unexpected significant rise/fall of market interest rates. A rise leads to a fall in long term asset values and a rise in liability values.
iii) Life expectancy	The majority of the plans' obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant, where inflationary increases result in higher sensitivity to changes in life expectancy.
iv) Asset volatility	The plan liabilities are calculated using a discount rate set with reference to federal government bond yields.

Maturity profile for long service awards
The expected maturity analysis of employee benefits is as follows:

	Less than 1 Year	Over 1 year	Total
	₦'000	**₦'000**	**₦'000**
30 June 2024			
Long service awards	215,391	1,148,548	1,363,939
Total	**215,391**	**1,148,548**	**1,363,939**
30 June 2023			
Long service awards	136,480	1,018,689	1,155,169
Total	**136,480**	**1,018,689**	**1,155,169**

26. Share based payments

(a) Diageo plc ("Diageo"), has a number of executive share option and executive share award plans for Directors and key management staff including directors and employees of Guinness Nigeria Plc. A recharge arrangement exists between Diageo plc and Guinness Nigeria Plc (parent grants rights over its equity instruments to the employees of its subsidiary) whereby vested shares awards/share options delivered to employees by Diageo plc are recharged to Guinness Nigeria Plc.

The recharge transaction is recognized as an intercompany liability (see Note 28(b)) with a corresponding adjustment in the share-based payment reserve for the capital contribution recognized in respect of the share-based payment. The recharge process accommodates adjustments to the cumulative value of share-based payment expense recharged by Diageo plc to the Company.

If the amount of the intercompany charge exceeds the capital contribution, the excess should be treated as a distribution from the subsidiary to its parent.
The Company recognize the recharge over the vesting period, on the basis that the recharge payment arises from the share-based payment arrangement in which employees are providing services.

(b) The Company has a share appreciation rights scheme for senior management and other staff under which employees are granted the right to receive, at the date the right is exercised, cash equal to the appreciation in the Company's share price since the grant date. All the rights vest 3 years after the grant date. The rights have a contractual life of 10 years.

(c) The employee benefit expense recognized in respect of equity settled share-based payments is as follows:

	2024	2023
	₦'000	**₦'000**
Equity-settled share based payment transactions		
Executive share award plans	82,882	(58,994)
Total (credit)/expense recognized as employee costs	**82,882**	**(58,994)**

The principal executive share awards/options are as follows:

Diageo executive long term incentive plan (DELTIP)
Awards made to executives under the plan are in the form of shares and share options at the market value at the time of grant. Share awards vest/are released on the third anniversary of the grant date. Share options granted under this scheme may normally be exercised between three and ten years after the grant date. There are no performance conditions to be satisfied.

Performance share plan (PSP)

Under the PSP, share awards can take a number of different forms. No payment is made for awards. To date, participants have been granted conditional rights to receive shares. Awards normally vest after a three-year period, the 'performance cycle', subject to achievement of three equally weighted performance tests:

i. a comparison of Diageo's three-year total shareholder return (TSR) with a peer group of 17 companies including Diageo plc. The vesting range is 25% if Diageo's TSR produces a median ranking compared with the TSR of the peer group companies, up to 100% if Diageo is ranked first, second or third in the peer group;

ii. compound annual growth in organic net sales over three years; and

iii. total organic operating margin improvement over three years.

Targets for net sales and operating margin are set annually by the remuneration committee. The vesting range is 25% for achieving minimum performance targets, up to 100% for achieving the maximum target level. Re-testing of the performance condition is not permitted. Dividends are accrued on awards and are given to participants to the extent that the awards actually vest at the end of the performance cycle. Dividends can be paid in the form of cash or shares.

The calculation of the fair value of each share option/award used the Monte Carlo pricing model and the following weighted average assumptions:

	2024 **₦'000**	**2023** **₦'000**
Risk free interest rate		
Executive share options/awards	4.76%	3.02%
Expected life		
Executive share options/awards	36 months	36 months
Dividend yield		
Executive share options/awards	2.51%	2.02%
Weighted average share price		
Executive share options/awards	3,177p	3,060p
Weighted average fair value of awards granted in the year		
Executive share options/awards	2,618p	2,259p
Number of awards granted in the year		
Executive share options/awards	17,121	4,790

Transactions on share-based payment

During the year, there were no transactions on share appreciation rights. Transactions on the executive share options/awards were as follows:

	Number of awards/options in units	
	2024	**2023**
Outstanding at 1 July	29,553	81,679
Effect of employee departures	(327)	1,823
Granted	18,157	11,358
Exercised/awarded	(8,702)	(16,636)
Forfeited/expired/transferred	(1,398)	(48,671)
Outstanding at 30 June	**37,283**	**29,553**

Some of the employee shares/options are not included in the current opening balance disclosed.

Analysis below shows the terms and conditions for outstanding shares based payment as at 30 June 2024:

Category	Date awarded	N0. of units	Vesting condi -tions	Vest date	Grant price (₦/unit)
Diageo executive long term incentive plan (DELTIP Options)	02/09/2019	887	3 years	02/09/2022	67,768
Diageo executive long term incentive plan (DELTIP Options)	03/09/2021	919	3 years	03/09/2024	68,760
Diageo executive long term incentive plan (DELTIP Options)	02/09/2022	2,909	3 years	02/09/2025	73,216
Diageo executive long term incentive plan (DELTIP Options)	04/09/2023	4,806	3 years	04/09/2026	63,332
Diageo executive long term incentive plan (DELTIP RSU)	03/09/2021	3,779	3 years	03/09/2024	—
Diageo executive long term incentive plan (DELTIP RSU)	03/03/2022	708	3 years	03/03/2025	—
Diageo executive long term incentive plan (DELTIP RSU)	02/09/2022	4,672	3 years	02/09/2025	—
Diageo executive long term incentive plan (DELTIP RSU)	02/09/2022	41	3 years	03/03/2025	—
Diageo executive long term incentive plan (DELTIP RSU)	09/03/2023	1,002	3 years	09/03/2026	—
Diageo executive long term incentive plan (DELTIP RSU)	04/09/2023	5,152	3 years	04/09/2026	—
Diageo executive long term incentive plan (DELTIP RSU)	04/09/2023	67	3 years	03/03/2025	—
Diageo executive long term incentive plan (DELTIP RSU)	04/09/2023	414	3 years	03/09/2024	—
Diageo executive long term incentive plan (DELTIP RSU)	07/03/2024	1,220	3 years	07/03/2027	—
Performance Share Plan (PSP)	03/09/2021	2,422	3 years	03/09/2024	—
Performance Share Plan (PSP)	02/09/2022	2,143	3 years	02/09/2025	—
Performance Share Plan (PSP)	04/09/2023	2,730	3 years	04/09/2026	—
Performance Share Plan (PSP)	04/09/2023	3,412	3 years	04/09/2026	—

At 30 June 2024, 9,521 (2023: 7,349) executive share options/awards were exercisable at a weighted average exercise price of 3,458 pence (2023: 3,245 pence).

The average exercise price per option was N39,336.

27. Deferred tax liabilities

(a) Recognized net deferred tax liabilities are attributable to the following:

	Assets		Liabilities		Net liabilities)/ assets	
	2024 ₦'000	2023 ₦'000	2024 ₦'000	2023 ₦'000	2024 ₦'000	2023 ₦'000
Property, plant and equipment	—	—	(11,372,326)	(13,722,691)	(11,372,326)	(13,722,691)
Right-of-use assets	1,374	—	—	(20,889)	1,374	(20,889)
Employee benefits	450,100	381,206	—	—	450,100	381,206
Unrealized exchange difference	7,277,220	10,791,877	—	—	7,277,220	10,791,877
Inventories	342,338	531,166	—	—	342,338	531,166
Trade and other receivables	2,172,952	1,560,188	—	—	2,172,952	1,560,188
Unrelieved losses	21,769,166	—	—	—	21,769,166	—
	32,013,150	**13,264,437**	**(11,372,326)**	**(13,743,580)**	**20,640,824**	**(479,144)**

(b) Movement in deferred tax liabilities during the year

	Balance as at 1 July 2023	Recognised in income statement	Recognised in other comprehensive income	Balance as at 30 June 2024	Balance as at 1 July 2022	Recognised in income statement	Recognised in other comprehensive income	Balance as at 30 June 2023
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Property, plant & equipment	(13,722,691)	2,350,365	—	(11,372,326)	(12,666,219)	(1,056,472)	—	(13,722,691)
Right-of-use assets	(20,889)	22,263	—	1,374	(62,195)	41,305	—	(20,889)
Employee benefits	381,206	68,894	—	450,100	496,657	(115,451)	—	381,206
Unrealized exchange losses	10,791,877	(3,514,657)	—	7,277,220	(172,351)	10,964,228	—	10,791,877
Inventories	531,166	(188,828)	—	342,338	396,320	134,846	—	531,166
Trade and other receivables	1,560,188	612,764	—	2,172,952	1,564,716	(4,528)	—	1,560,188
Unrelieved losses	—	21,769,166	—	21,769,166	—	—	—	—
	(479,144)	**21,119,968**	**—**	**20,640,824**	**(10,443,073)**	**9,963,929**	**—**	**(479,144)**

There are no unrecognized deferred tax assets and liabilities at the end of the current and preceding years.

The Directors have assessed and confirmed that future taxable profit will be available to unwind the effect of deferred tax asset of N20.6 billion recognised for the year ended 30 June 2024.

28. Trade and other payables

(a) Trade and other payables comprise:

	30 June 2024	30 June 2023
	₦'000	**₦'000**
Financial liabilities:		
Trade payables	50,723,291	34,368,756
Other payables and accrued expenses	12,567,951	10,646,549
Amount due to related parties (Note 31(b(ii)))	111,039,096	62,420,406
Total financial liabilities	**174,330,338**	**107,435,711**
Non-financial liabilities:		
Refund liabilities	74,607	83,229
Other payables and accrued expenses	1,500,019	3,717,144
Total non-financial liabilities	**1,574,626**	**3,800,373**
Total trade and other payables	**175,904,964**	**111,236,084**

All items under Trade and other payables are measured at amortized cost. The carrying amount is the reasonable approximation of fair value.

(b) Changes in trade and other payables in the statement of cash flows

	30 June 2024	30 June 2023
	₦'000	**₦'000**
Change in trade and other payables	64,668,880	41,553,095
Change in contract liabilities	1,152,951	(275,962)
Change in restricted cash	485,701	237,432
Unrealized exchange difference on foreign currency payables	(20,401,452)	(18,299,063)
Value added tax paid during the year	15,141,925	12,999,573
Declared, not yet paid dividend for prior year-related parties (Note31(b))	—	(9,074,535)
Effect of accruals for property, plant and equipment (Note 15(f))	(2,709,953)	(1,418,964)
Equity settled share based payment (Note 26 (c))	(82,882)	58,994
Withholding tax on accrued interest expense (Note 23 (b))	(100,191)	(51,408)
Effect of provisions on customer deposit liability and other write-offs	93,461	137,624
	58,248,440	**25,866,786**

The Company's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 29.

29. Financial risk management and financial instruments

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Risk Management Committee is responsible for developing and monitoring the Company's risk management policies which are established to identify and analyse the risks faced by the Company, to set appropriate risk limit and controls, and monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's Finance and Risk Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(a) Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, related parties and cash and cash equivalents. The carrying amount of financial assets represents the maximum credit exposure.

Exposure to credit risk
The maximum exposure to credit risk at the reporting date was:

	30 June 2024	30 June 2023
	₦'000	**₦'000**
Trade and other receivables (Note 19(a))	12,413,907	10,104,095
Cash and cash equivalents (Note 20(b))	45,804,346	92,124,683
Restricted cash (Note 20(a))	1,106,760	1,592,461
	59,325,013	**103,821,239**

Credit risk management policy
The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit rating of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit risk on deposits with banking institutions is managed by dealing with institutions with good credit ratings.

Trade and other receivables exposure are managed locally by the finance department, and credit limits are set as deemed appropriate for the customer. The finance department analyse credit risk for each new customer before standard payment and delivery terms are offered, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal ratings in accordance with limits set by the board. The utilization of credit limits is monitored regularly. In addition, the Company manages credit risk by requiring the customers to provide financial guarantees.

The Company does not have any significant concentration of credit risk with respect to trade and other receivables as the Company has a large number of customers which are geographically dispersed. The credit risk associated with receivables is minimal and the allowance for expected credit losses that the Company has recognized in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

Trade and other receivables
Trade receivables
The Company applies the IFRS 9 simplified approach in measuring the expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables. Trade receivables represent the amount of receivable from third-party customers for the sale of goods. No significant changes to estimation techniques or assumptions were made during the reporting period..

In determining the expected credit loss, the following parameters were used:

(a) Exposure at default (EAD)
Exposure at default is the trade receivables balance as at the reporting date.

(b) Collection past due (CPD) days
The CPD days represents the weighted average number of days amounts due from a customer are settled. The CPD days reflect the number of days the Company is expected to be exposed to credit risk on the customer. The expected credit loss on a customer increases exponentially as the CPD days increases.

(c) Loss rates
The loss rate is used as a proxy for the loss experience of the Company. The loss rate is determined as a weighted average of losses experienced by the Company over several years, as the ratio of provisions made to the total trade debtor balances as at the beginning of a year (this was carried out for an historical period of six years). The loss rates derived for each historical period is then measured against the total trade receivable balance to derive the Weighted Average Loss Rate (WALR). The Company assessed the average time of payment on invoices by individual customers over the last five years. The Company has reviewed all its trade receivables at year-end and those which were due or questionable were impaired based on specific assessment. The Company has taken into consideration the current economic situation in its expected credit loss calculation, but it has no material effect compared to prior year as most of the receivables affected were written-off by specific assessment.

(d) Average Time to Realisation (ATTR)
The Company assessed the average number of days taken to receive payment on invoices from the trade receivables. This has been considered based on the categories and assessed over an historical period of five years.

(e) Economic scenarios
The Company considered 3 scenarios; Optimistic, Base and Pessimistic. Each scenario looked at various levels of recoverability in the market, forward-looking information such as forecasted inflation & GDP and possibility of price increase.

The maximum exposure to credit risk for trade receivables and related impairment loss at the reporting date was:

	30 June 2024	30 June 2023
	₦'000	**₦'000**
Gross carrying amount	16,537,238	14,451,877
Expected credit loss	(4,482,125)	(4,466,138)
Net carrying amount	**12,055,113**	**9,985,739**

Due from related parties
Due from related parties represents the amount of receivable from related party customers for the sale of goods, promotional support and other services. The expected credit loss rate for this receivable is determined using the simplified approach.

The simplified approach is based on an ageing analysis conducted to determine the ageing brackets of the outstanding balance as at the snapshot date. The receivables are then discounted using the expected time to payment experienced over the historical period.

Reconciliation of expected credit loss on financial assets (trade and other receivables)
(i) Movements of expected credit loss of trade receivables are as follows:

	2024	2023
	₦'000	**₦'000**
Opening loss allowance	4,466,138	4,493,811
Trade receivables written-off	–	(36,779)
Loss allowance recognized in profit or loss during the year (Note 11(c))	15,987	9,106
At 30 June	**4,482,125**	**4,466,138**

Trade and other receivables analysis
(i) **Specific impairment assessment:** The Company identifies customers for specific impairment based on available information that suggests a heightened risk of default on the Company's exposure to the customer. For such identified customers, the Company performs assessment of the difference between the outstanding balance and present value of expected recoveries from the customer on the outstanding balances.

(ii) **Collective impairment assessment:** Where there is no specific evidence to suggest an heightened risk of default on the outstanding balance, the Company assesses the expected credit losses by assessing the trade receivables for expected lifetime credit losses.

The table below shows an analysis of balances that have been subjected to both the specific and collective assessment.

	As at 30 June 2024			As at 30 June 2023		
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
	Exposure	Expected Credit Loss	Net Exposure	Exposure	Expected Credit Loss	Net Exposure
Trade receivables:						
Specific assessment	4,941,606	(4,471,113)	470,493	4,936,784	(4,451,379)	485,405
Collective assessment	11,595,632	(11,012)	11,584,620	9,515,093	(14,759)	9,500,334
Total trade receivables	16,537,238	(4,482,125)	12,055,113	14,451,877	(4,466,138)	9,985,739
Other receivables:						
Specific assessment	195,582	—	195,582	94,815	—	94,815
Total other receivables	195,582	—	195,582	94,815	—	94,815
Intercompany receivables						
Specific assessment	163,212	—	163,212	23,541	—	23,541
Total trade and other receivables	**16,896,032**	**(4,482,125)**	**12,413,907**	**14,570,233**	**(4,466,138)**	**10,104,095**

The trade receivables analysis for specific assessment by expected recovery as at 30 June 2024 and 30 June 2023 is shown below:

	2024			2023		
	Outstanding Balance ₦'000	Expected Recovery ₦'000	Expected Credit Loss ₦'000	Outstanding Balance ₦'000	Expected Recovery ₦'000	Expected Credit Loss ₦'000
No expected recovery	4,345,164	—	4,345,164	4,384,503	—	4,384,503
Less than 5% expected	28,358	(1,050)	27,308	—	—	—
6% - 25% expected recovery	—	—	—	—	—	—
26% - 50% expected recovery	—	—	—	—	—	—
51% - 99% expected recovery	567,930	(469,289)	98,641	552,281	(485,405)	66,876
100% expected recovery	—	—	—	—	—	—
	4,941,452	**(470,339)**	**4,471,113**	**4,936,784**	**(485,405)**	**4,451,379**

The table below shows an analysis of balances that have been subjected to collective assessment..

As at 30 June 2024

CPD days	0-30	31-60	61-90	91-180	181-360	Over 360	Total
Gross trade receivables(N'000)	**11,595,632**	**—**	**—**	**—**	**—**	**—**	**11,595,632**

Loss rate range:	0.001	—	—	—	—	—	Total
Expected credit loss (N'000)	**11,012**	**—**	**—**	**—**	**—**	**—**	**11,012**

The table below shows an analysis of balances that have been subjected to collective assessment..

As at 30 June 2023

CPD days	0-30	31-60	61-90	91-180	181-360	Over 360	Total
Gross trade receivables (N'000)	**9,515,093**	—	—	—	—	—	**9,515,093**

Loss rate range:	0.002	—	—	—	—	—	Total
Expected credit loss (N'000)	**14,759**	—	—	—	—	—	**14,759**

The reconciliation of the gross carrying amount for trade receivables is as follows:

	2024	2023
	₦'000	**₦'000**
Opening gross carrying amount	14,451,877	13,971,886
Additions during the year	702,181,084	710,794,535
Receipts for the year	(700,095,723)	(710,314,544)
Gross carrying amount as at 30 June	**16,537,238**	**14,451,877**

Sensitivity analysis

This table shows the sensitivity of the expected credit loss (ECL) to changes in loss rates of balances subjected to collective assessment

	2024	2023
	₦'000	**₦'000**
Increase/(decrease) in loss rates		
1%	115,956	95,151
(1%)	(115,956)	(95,151)

Cash and cash equivalents

The Company held cash and cash equivalents of N45,804 million as at 30 June 2024 (2023: N92,125 million), which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with reputable financial institutions in Nigeria, and these balances are subject to impairment. However the identified impairment loss is immaterial as a result of the credit ratings of the banks where funds are held.

Restricted cash

The Company's unclaimed dividend as of 30 June 2024 of N1,107 million (2023: N1,592 million) held in short-term deposit with a reputable financial institution in Nigeria. This represents the Company's maximum credit exposure on this asset.

Credit quality of cash and cash equivalents and restricted cash

	Basis for recognition of expected credit loss provision	30 June 2024	30 June 2023
		₦'000	**₦'000**
B-	Stage 1	46,419,146	23,607,227
BBB+	Stage 1	491,960	70,109,917
Cash and cash equivalents		**46,911,106**	**93,717,144**

Bank overdraft has been excluded from this rating.

Credit rating keys

B - A financial institution where a material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.

BBB - A financial institution of satisfactory financial condition and adequate financial capacity to meet its obligations as and when they fall due. It may have one major weakness which, if addressed, should not impair its ability to meets obligations as and when they fall due. Adverse changes in the environment (macro-economic, political and regulatory) will result in a medium increase in risk attributable to an exposure to this financial institution.

A+ (plus) or – (minus) may be added to a rating. A plus added to a rating indicates that the rating may be raised. A minus means that the rating may be lowered. When no plus or minus is added to the rating, this means that the rating is unlikely to change. A positive or negative added to a rating is therefore a reflection of the rating outlook.

The credit ratings were sourced from Fitch Ratings Inc, Global Credit Rating Company Limited and Augusto & Co. Limited.

All other financial assets are not rated.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management performs cash flow forecasting and monitor rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet its operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. The Company's approach when managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Company's reputation.

The credit terms with customers and payment terms to its vendors are favourable to the Company in order to help provide sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The Company had no drawn down overdraft facilities with its banks as at 30 June 2024 (2023: Nil). The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements. The amounts disclosed in the table below are the contractual undiscounted cash flows.

	Carrying Amount ₦'000	Total Contractual Cashflows ₦'000	6 months or Less ₦'000	6-12 months ₦'000	1-5years ₦'000	5+ years ₦'000
30 June 2024						
Non-derivative financial liabilities						
Lease liabilities	135,342	1,466,075	—	21,436	85,742	1,358,897
Dividend payable	1,184,550	1,184,550	1,184,550	—	—	—
Trade and other payables	174,330,338	174,330,338	174,330,338	—	—	—
Loans and borrowings	40,132,900	42,565,336	2,030,363	40,534,971	—	—
	215,783,130	**219,546,299**	**177,545,251**	**40,556,407**	**85,742**	**1,358,897**
Non-derivative financial assets						
Cash and cash equivalents	45,804,346	45,804,346	45,804,346	—	—	—
Trade and other receivables	12,413,907	12,413,907	12,413,907	—	—	—
Restricted cash	1,106,760	1,106,760	1,106,760	—	—	—
	59,325,013	**59,325,013**	**59,325,013**	**—**	**—**	**—**
Liquidity gap	**156,458,117**	**160,221,286**	**118,220,238**	**40,556,407**	**85,742**	**1,358,897**
30 June 2023						
Non-derivative financial liabilities						
Lease liabilities	154,301	1,487,511	—	21,436	85,742	1,380,333
Dividend payable	1,695,832	1,695,832	1,695,832	—	—	—
Trade and other payables	107,435,711	107,435,711	107,435,711	—	—	—
Loans and borrowings	63,755,939	65,474,091	46,689,546	18,784,545	—	—
	173,041,783	**176,093,145**	**155,821,089**	**18,805,981**	**85,742**	**1,380,333**
Non-derivative financial assets						
Cash and cash equivalents	92,124,683	92,124,683	92,124,683	—	—	—
Trade and other receivables	10,104,095	10,104,095	10,104,095	—	—	—
Restricted cash	1,592,461	1,592,461	1,592,461	—	—	—
	103,821,239	**103,821,239**	**103,821,239**	**—**	**—**	**—**
Liquidity gap	**69,220,544**	**72,271,906**	**51,999,850**	**18,805,981**	**85,742**	**1,380,333**

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rate, interest rates and equity prices will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return.

The Company manages market risks by keeping costs low through different cost optimization initiatives and productivity agenda. Furthermore market developments are monitored constantly through scenario planning and events assessed regularly with view to taking mitigating actions where necessary

(i) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the Naira. The currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in foreign exchange rates. In managing currency risk, the Company aims to reduce the impact of short-term fluctuations on earnings. Although the Company employs various measures including matching sales and purchase currencies to mitigate exposure to foreign exchange rate movement, over the longer term, however, permanent changes in exchange rates would have an impact on earnings. The Company monitors the movement in the currency rates on an ongoing basis. The Company's exposure to foreign currency risk is as follows::

	30 June 2024			30 June 2023		
	GBP (£) 000	Euro (€) 000	US ($) 000	GBP (£) 000	Euro (€) 000	US ($) 000
Financial assets						
Cash and cash equivalents	7,034,259	161,227	3,061,008	8,399,336	8,280	554,293
Trade and other receivables	163,122	—	972,569	10,683	—	1,832
	7,197,381	161,227	4,033,577	8,410,019	8,280	556,125
Financial liabilities						
Trade and other payables	(14,635,455)	(4,957,735)	(85,668,801)	(5,265,851)	(200,073)	(36,604,232)
Letters of credit	(37,770)	(165,709)	(315,560)	(2,812,329)	(15,444,288)	(25,738,925)
Related party loan	—	—	(39,318,754)	—	—	(17,925,469)
	(14,673,225)	(5,123,444)	(125,303,115)	(8,078,180)	(15,644,361)	(80,268,626)
Net exposure	**(7,475,844)**	**(4,962,217)**	**(121,269,538)**	**331,839**	**(15,636,081)**	**(79,712,501)**

The following significant exchange rates were applied during the year::

	Average rate		Reporting date spot rate	
	2024 ₦	2023 ₦	2024 ₦	2023 ₦
GBP (£) 1	1,265.38	546.27	1,945.67	957.09
Euro (€) 1	1,087.62	475.02	1,647.41	818.03
US ($) 1	1,006.27	455.23	1,540.00	759.60

Sensitivity analysis on foreign currency rates

A five percent (5%) strengthening of the Naira, against the Euro, Dollar and GBP at 30 June 2024 would have (increased)/ decreased loss for the year by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period and has no impact on equity. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis as for 2023, albeit that the reasonably possible foreign exchange rate variances were different, as indicated below

	(Decrease)/ Increase in loss for the year ₦'000
30 June 2024	
GBP (£)	399,554
Euro (€)	248,111
US ($)	4,180,675
30 June 2023	
GBP (£)	(16,592)
Euro (€)	781,804
US ($)	3,089,352

A five percent (5%) weakening of the Naira against the above currencies would have had the equal but opposite effect on the above currencies to the magnitude of the amounts shown above, on the basis that all other variables remain constant.

(ii) Interest rate risk

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was:

	2024	2023
	₦'000	**₦'000**
Fixed rate instruments		
Short-term bank deposits	17,106,760	20,292,461
	17,106,760	20,292,461
Variable rate instruments		
Related party loans	**(39,318,754)**	**(17,925,469)**

The Company does not account for any fixed rate financial assets and liabilities at fair value through income statement. Therefore a change in interest rates at the end of the reporting period would not affect income statement. .

Sensitivity

The Company is exposed to cash flow interest rate risk on loans and borrowings. The table below shows the impact on the post-tax profit of the Company. There is no impact on equity.

	Impact on post-tax profit	
	2024	**2023**
	₦'000	**₦'000**
Interest rates – increase by 150 basis points	412,847	188,217
Interest rates – decrease by 150 basis points	(412,847)	(188,217)

(d) Capital management

The Board of Directors policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders. The Company considers total equity in the statement of financial position to be its capital.

The Company's management is committed to enhancing shareholder value in the long term by investing in the businesses and brands to improve the return on investment. In addition, the Company continuously manages its capital structure toachieve capital efficiency, maximise flexibility and give the appropriate level of access to debt markets at attractive cost levels.

The Company regularly assesses its debts and equity capital levels against its stated policy for capital structure. The Company's management monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity. Management also monitors the level of dividends to all shareholders.

The Company's return on capital as at the end of the reporting period is as follows:

	2024	2023
	₦'000	**₦'000**
Result from operating activities	25,407,481	23,357,684
Total shareholders' equity	2,161,466	56,424,616
Return on capital	**1175.47%**	**41.40%**

Furthermore, the Company's adjusted net debt to equity ratio at the end of the reporting period is as follows:

	2024	2023
	₦'000	**₦'000**
Total liabilities	223,968,611	185,323,528
Cash and cash equivalents	(45,804,346)	(92,124,683)
Adjusted net debt	178,164,265	93,198,845
Total equity	**2,161,466**	**56,424,616**
Adjusted net debt to equity ratio:	**82.43**	**1.65**

There was no change in the Company's approach to capital management during the current and preceding year. There is no externally imposed capital requirement on the Company

30. Contingencies

(a) Contingent assets

As at 30 June 2024, the Company has a contingent asset arising from Export Expansion Grant (EEG) of N1.06 billion (2023: N2.75 billion) due from the Nigerian Export Promotion Council (NEPC). EEG is an incentive from the Federal Government of Nigeria to stimulate local production activities for export.

EEG receivable has not been recognized in the financial statements effective 30 June 2024 because of the historical trend of issuance of Export Credit Certificate (ECC) for its settlement by the NEPC. The issuance of ECC, its eventual receipt and subsequent utilization is entirely within the control of NEPC and the timing of occurrence of these events is not certain.

Analysis below shows the movements in contingent asset during the year ended 30 June 2024:

	2024	2023
	₦'000	**₦'000**
Opening	2,753,136	6,065,812
Addition	256,195	260,696
Not eligible claims for grant	(598,160)	(2,000,859)
Payment of Promissory note issued by the Federal Govt. of Nigeria (Note 9(a))	(1,353,446)	(1,572,514)
Closing	**1,057,725**	**2,753,136**

(b) Guarantee and contingent liabilities

Contingent liabilities at the reporting date arising in the ordinary course of business out of guarantees relating to customs bond amounted to N3,200 million (2023: N3,146 million). In the opinion of the Directors, no material loss is expected to arise from these guarantees.

(c) Pending litigations and claims

The Company is subject to various claims and other liabilities arising in the normal course of business. In the opinion of theDirectors and based on legal advice, the possibility of an outflow of resources embodying economic benefits is remote.
Therefore the contingent liabilities in respect of pending litigation and other liabilities as at 30 June 2024 is Nil (2023: N1,008 billion).

(d) Financial commitments

The Directors are of the opinion that all known liabilities and commitments, which are relevant in assessing the state of affairs of the Company, have been taken into consideration in the preparation of these financial statements.

31. Related Parties transactions and balances

(a) Parent and ultimate controlling entity

Related parties include the parent and ultimate controlling Company Diageo plc and other Diageo group entities. Directors, their close family members and any employee who is able to exert a significant influence on the operating policies of the Company are considered as related parties. Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

As at 30 June 2024, Guinness Overseas Limited and Atalantaf Limited owned 50.18% (2023: 50.18%) and 7.84% (2023: 7.84%) respectively of the issued share capital of the Company. The remaining 41.98% (2023: 41,98%) is held by a diverse group of Nigerian individuals and institutional shareholders

(b) Transactions with related parties

The Company has transactions with its parent and other related parties who are related by virtue of being members of the Diageo group. The total amounts due to or due from related parties by nature of the transactions are shown below.

(i) Trademark and technology licences

Diageo plc, through some of its members, has given Guinness Nigeria Plc exclusive rights to the know how, manufacturing, distribution and marketing of its international brands in Nigeria namely, Guinness Foreign Extra Stout, Guinness Smooth, Guinness Gold, Malta Guinness, Satzenbrau Lager, Harp Lager, Smirnoff X1, Smirnoff Ice, Smirnoff Ice - Double Black & Guarana, Gordons Moringa, Baileys Delight, Snapp, Orijin variants (namely Orijin Bitters, Orijin Gin, Orijin Ready to Drink, and Orijin Zero non-alcoholic), MrDowells and Royal Challenge. In consideration of this, a royalty of 0.5% of net sales value and a technical service fee of 2% of net sales value are payable by Guinness Nigeria Plc to its related parties for Trademark and technology licences respectively. The royalty and technical service fees payable by Guinness Nigeria Plc under these agreements for the current financial year is N1,711 million (2023: N1,537 million).

All of the transactions are conducted in accordance with Diageo's Transfer Pricing methodologies which have been designed to be consistent with the arm's length principle, the governing international principle of related party transactions. Where Guinness Nigeria's undertakes activities under agreements with Diageo's brand owning entities, those brand owning entities may provide financial support on a year-by-year basis to the extent that the financial performance of Guinness Nigeria Plc in relation to those transactions falls below an arm's length range. Any contributions made to Guinness Nigeria Plc by Diageo's brand owning entities are intended to deliver an arm's length outcome.

(ii) Purchases, sales, promotional support, other services and dividend

The following balances are outstanding at the end of the reporting period in relation to the transactions with related parties:

	Transaction Value		Balance due (to)/ from	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
Purchases, promotional support and other services				
Other related parties	(46,890,694)	(34,557,737)	(92,789,140)	(45,898,446)
Royalties and technical services fees				
Other related parties	(1,710,897)	(1,537,233)	(10,082,874)	(8,354,878)
*Dividend payable**				
Ultimate parent	—	(9,074,535)	(8,167,082)	(8,167,082)
	(48,601,591)	**(45,169,505)**	**(111,039,096)**	**(62,420,406)**
Sales and other services				
Other related parties	139,671	(245,854)	163,212	23,541
	139,671	**(245,854)**	**163,212**	**23,541**
Related party loan and finance costs	**(21,393,285)**	**(8,513,577)**	**(39,318,754)**	**(17,925,469)**

*Declared dividend is disclosed as the transaction value with the ultimate parent entities, balance due to ultimate entities is presented net of withholding tax.

	Transaction Value		Balance due (to)/ from	
	2024	2023	2024	2023
	₦'000	₦'000	₦'000	₦'000
Purchases, promotional support and other services				
Ireland Unlimited Company	(19,425,730)	(21,801,237)	(46,149,528)	(26,723,798)
Diageo Brands B.V.	(10,608,668)	(5,732,151)	(19,734,597)	(9,125,929)
Diageo Great Britain Limited	(10,390,151)	(4,073,926)	(15,942,861)	(5,552,710)
Uganda Breweries Limited	(3,080,955)	(1,754,404)	(5,365,505)	(2,284,550)
Kenya Breweries Limited	(1,351,842)	(564,997)	(1,916,839)	(564,997)
Guinness Cameroun S.A	(1,257,334)	(179,527)	(1,436,861)	(179,527)
East African Breweries PLC	(486,980)	(172,552)	(778,580)	(291,600)
Diageo North America, Inc.	128,821	9,548	(628,203)	(757,024)
Guinness Ghana Breweries Plc	(171,096)	(100,866)	(401,782)	(230,686)
Diageo South Africa (Pty) Limited	(198,308)	—	(198,308)	—
Diageo Mexico Comercializadora	(155,626)	—	(155,626)	—
Diageo Scotland Limited	140,994	(185,586)	(44,592)	(185,586)
Diageo Business Services Limited	(29,122)	—	(29,122)	—
UDV Kenya Limited	(6,736)	—	(6,736)	—
Diageo plc	1,369	(1,369)	—	(1,369)
East African Maltings Limited	669	(669)	—	(669)
	(46,890,694)	**(34,557,737)**	**(92,789,140)**	**(45,898,446)**
Dividend payable				
Guinness Overseas Limited	—	(7,848,507)	(7,063,657)	(7,063,657)
Atalantaf Limited	—	(1,226,028)	(1,103,425)	(1,103,425)
	—	**(9,074,535)**	**(8,167,082)**	**(8,167,082)**
Technical service fees and royalties				
Diageo Great Britain Limited	(929,907)	(786,994)	(3,643,930)	(2,578,259)
Diageo Ireland Unlimited Company	—	7	(2,976,204)	(3,148,157)
Diageo North America, Inc.	(567,602)	(525,725)	(2,321,703)	(1,698,875)
Diageo Brands B.V.	(215,472)	(194,158)	(790,419)	(576,885)
United Spirits Limited	2,084	(30,362)	(350,618)	(352,702)
	(1,710,897)	**(1,537,233)**	**(10,082,874)**	**(8,354,878)**

Sales and other services				
Serengeti Breweries Limited	144,144	3,851	147,995	3,851
Diageo Canada	10,141	5	10,146	5
Seychelles Breweries Limited	3,220	—	3,220	—
East African Maltings Limited	1,851	(22)	1,851	—
Diageo Southern Africa Markets (Pty) Ltd	(19,686)	18,956	—	19,686
Guinness Cameroun S.A	—	(242,461)	—	—
R&A Bailey & Co	—	(13,260)	—	—
Diageo Scotland Limited	—	(11,087)	—	—
Kenya Breweries Limited	—	(1,836)	—	—
	139,671	**(245,854)**	**163,212**	**23,541**

	Transaction Value		Balance due (to)/ from	
	2024	**2023**	**2024**	**2023**
	₦'000	**₦'000**	**₦'000**	**₦'000**
Related party loan and finance costs				
Diageo Finance plc	(21,393,285)	(8,513,577)	(39,318,754)	(17,925,469)
	(21,393,285)	**(8,513,577)**	**(39,318,754)**	**(17,925,469)**

(c) Transactions with key management personnel

Key management personnel compensation:

Key management personnel comprises of the directors of the company.

In addition to their salaries, the Company also provides non-cash benefits to executive directors and executive officers and contributes to post employment defined benefit and defined contribution plans on their behalf. In accordance with the terms of the plans, directors and executive officers retire at the age of 55 years at which time they become entitled to receive postemployment benefits.

Executive officers also participate in share-based payment plans (see Note 26) and the Company's long service awards benefit plan (see Note 25). Key management personnel compensation comprised:

	2024	**2023**
	₦'000	**₦'000**
Short-term employee benefits		
Salaries and wages - Executive Directors (Note 11(b))	1,058,901	630,246
Salaries and wages - Executive Officers	397,491	502,403
Share-based payments plan		
Diageo executive share options/awards (Note 26)	82,882	(58,994)
	1,539,274	**1,073,655**

32. 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 30 June 2024 that have not been adequately provided for or disclosed in the financial statements.

33. Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.


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OTHER NATIONAL DISCLOSURES>

Statement of Value Added

FOR THE YEAR ENDED 30 JUNE 2024

	2024 ₦'000	%	2023 ₦'000	%
Revenue	299,489,774		229,440,861	
Bought-in materials and services				
- Local	(221,620,534)		(148,839,983)	
- Imported	(27,527,577)		(19,081,091)	
	50,341,663		**61,519,787**	
Other income	3,177,450		3,530,586	
Finance income	21,764,454		7,789,340	
Valued added	**75,283,567**	**100%**	**72,839,713**	**100%**
Distribution of Value Added:				
To Government:				
Tax credit	(18,913,093)	(25)%	(3,970,558)	(5)%
To Employees:				
Salaries, wages and fringe benefits	18,031,165	24%	16,571,391	23%
To Providers of Finance:				
Finance costs	120,851,804	161%	53,285,623	73%
Retained in the Business:				
For replacement of property, plant and equipment	9,879,735	13%	9,259,736	13%
For replacement of right-of-use assets	50,965	—%	133,844	—%
For replacement of intangible assets	149,767	—%	88,385	—%
Declared dividend	—	1%	15,639,333	21%
To augment reserve	(54,766,776)	(73)%	(18,168,041)	(24)%
	75,283,567	**100%**	**72,839,713**	**100%**

The value added represents the wealth created through the use of the Company's assets by its own and its employees' efforts. This statement shows the allocation of wealth amongst employees, capital providers, government and that retained for future creation of wealth.

Five-Year Financial Summary

Income Statement

	2024 ₦'000	2023 ₦'000	2022 ₦'000	2021 ₦'000	2020 ₦'000
Revenue	299,489,774	229,440,861	206,822,127	160,416,257	104,376,015
Operating profit/(loss)	25,407,481	23,357,684	23,900,060	9,871,498	(12,832,256)
(Loss)/profit before taxation	(73,679,869)	(22,138,599)	23,674,161	5,769,510	(17,073,641)
(Loss)/profit for the year	(54,766,776)	(18,168,041)	15,651,362	1,255,338	(12,578,818)
Statement of comprehensive income					
(Loss)/profit after taxation	(54,766,776)	(18,168,041)	15,651,362	1,255,338	(12,578,818)
Other comprehensive (loss)/income net of tax	—	—	(51,626)	(6,903)	(114,122)
Comprehensive (loss)/income for the year	**(54,766,776)**	**(18,168,041)**	**15,599,736**	**1,248,435**	**(12,692,940)**
Per 50k share data (in kobo)					
Basic (loss)/earnings per share	(2,500)	(829)	715	57	(574)
Declared dividend per share	—	714	46	—	152

Statement of financial position

	2024 ₦'000	2023 ₦'000	2022 ₦'000	2021 ₦'000	2020 ₦'000
Employment of funds					
Property, plant and equipment	101,321,397	99,177,647	97,685,577	94,236,887	88,919,044
Right-of-use assets	131,180	217,574	368,512	432,001	943,212
Intangible assets	481,120	549,950	326	2,092	309,112
Deferred tax assets	20,640,824	—	—	—	—
Prepayments	—	—	4,757	—	1,675
Net current (liabilities)/assets	(119,129,182)	(41,868,450)	3,868,406	(8,223,340)	(6,625,438)
Lease liabilities	(135,325)	(154,272)	(177,144)	(184,309)	(653,855)
Employee benefits	(1,148,548)	(1,018,689)	(1,327,970)	(1,099,329)	(1,342,985)
Deferred tax liabilities	—	(479,144)	(10,443,073)	(10,877,427)	(8,512,625)
Net assets	**2,161,466**	**56,424,616**	**89,979,391**	**74,286,573**	**73,038,140**
Funds employed					
Share capital	1,095,191	1,095,191	1,095,191	1,095,191	1,095,191
Share premium	47,447,029	47,447,029	47,447,029	47,447,029	47,447,029
Retained earnings	(46,380,754)	7,882,396	41,437,171	25,744,355	24,495,920
Shareholders' funds	**2,161,466**	**56,424,616**	**89,979,391**	**74,286,576**	**73,038,140**
Net assets per share (kobo)	**99**	**2,576**	**4,108**	**3,391**	**3,334**

Shareholders' Information

Share Capital History
The share capital history of the Company is as shown below. The issued and paid-up share capital of the Company as at 30 June 2024 is:

DATE	AUTHORISED SHARE CAPITAL		ISSUED AND FULLY PAID		CONSIDERATION
	VALUE (N)	SHARES	VALUE (₦)	SHARES	
31/08/72	3,000,000	6,000,000	3,000,000	6,000,000	Conversion to Naira
14/12/72	5,000,000	10,000,000	5,000,000	10,000,000	Script Issue (2:3)
30/03/76	8,000,000	16,000,000	8,000,000	16,000,000	Script Issue (3:5)
5/11/76	10,000,000	20,000,000	10,000,000	20,000,000	Public Issue
11/3/77	15,000,000	30,000,000	15,000,000	30,000,000	Script Issue (1:2)
28/09/78	25,000,000	50,000,000	25,000,000	50,000,000	Script Issue (2:3)
21/02/80	37,500,000	75,000,000	37,500,000	75,000,000	Script Issue (1:2)
25/02/82	50,000,000	100,000,000	50,000,000	100,000,000	Script Issue (1:3)
15/03/84	75,000,000	150,000,000	75,000,000	150,000,000	Script Issue (1:2)
13/03/84	100,000,000	200,000,000	100,000,000	200,000,000	Script issue (1:3)
26/07/90	150,000,000	300,000,000	150,000,000	300,000,000	Script Issue (1:2)
18/07/90	200,000,000	400,000,000	180,000,000	360,000,000	Rights Issue(1:5)
29/09/95	350,000,000	700,000,000	270,000,000	540,000,000	Right Issue (1:2)
2/1/97	350,000,000	700,000,000	339,519,721	679,039,441	Conversion of ICLS to Shares
19/06/97	400,000,000	800,000,000	350,519,721	679,039,441	Scrip Dividend to Shares
16/07/97	400,000,000	800,000,000	350,733,576	701,467,151	Scrip Dividend to Shares
13/07/98	400,000,000	800,000,000	353,982,125	707,964,249	Increase in authorized
20/11/02	1,000,000,000	2,000,000,000	353,982,125	707,964,249	Share Capital
20/11/03	1,000,000,000	2,000,000,000	89,970,207	1,179,940,415	Bonus Issue (2:3)
16/11/06	1,000,000,000	2,000,000,000	737,462,759	1,474,925,519	Bonus Issue (1:4)
10/7/08	1,250,000,000	2,500,000,000	737,462,759	1,474,925,519	Increase in Authorized Share Capital
2/11/12	1,250,000,000	2,500,000,000	752,944,094	1,505,888,188	Scrip Dividend to Shares
9/22/17	1,250,000,000	2,500,000,000	1,095,191,410	2,190,382,819	Right Issue (5:11)

Substantial Interest in Shares:
According to the register of members, the following persons held more than 5% of the issued share capital of the Company as at 30 June 2024

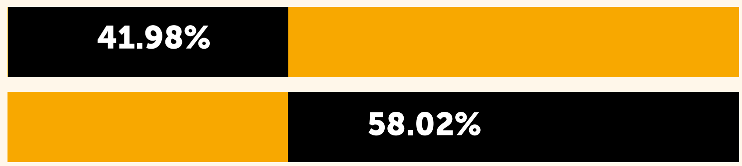
Shareholders	Number of Shares	Percentage
Guinness Overseas Limited	1,099,230,804	50.18 %
Atalantaf Limited	171,712,564	7.84 %
Stanbic IBTC Nominees Limited/C026 Main	170,089,934	7.77 %
Mutima Opportunity Fund LP-Trading	122,857,207	5.61 %

Statistical Analysis of Shareholding

a) The shares of the Company are held in the ratio of 41,98% by Nigerians and 58,02% by offshore investors.

Nigerian Investors **41.98%**

Offshore Investors **58.02%**



b) The Company's issued shares of 2,190,382,819 as at year end are held by shareholders as follows:

Statistical analysis of shareholding as at 30 June 2024				
Range	**Total Holders**	**%**	**Units**	**%**
1 - 1,000	33,322	46.18%	12,225,684	0.56%
1,001 - 5,000	27,738	38.44%	70,952,640	3.24%
5,001 - 10,000	6,145	8.52%	44,638,737	2.04%
10,001 - 50,000	4,060	5.63%	79,401,880	3.63%
50,001 - 100,000	439	0.61%	30,912,129	1.41%
100,001 - 500,000	373	0.52%	74,635,962	3.41%
500,001 - 1,000,000	49	0.07%	33,164,957	1.51%
1,000,001 - above	32	0.05%	1,844,450,830	84.21%
Grand Total	72,158	100.00%	2,190,382,819	100.00%

Dividend History

Year	Profit After Taxation(₦)	Dividend Proposed(₦)	Dividend per Share (k)
2010	13,736,359,000	12,168,135,531	825
2011	17,927,933,821	14,749,255,190	1,000
2012	14,671,194,963	11,799,404,152	800
2013	11,863,726,504	10,541,217,309	700
2014	9,570,223,809	4,818,842,202	320
2015	7,794,899,000	4,818,842,202	320
2016	(2,015,886,000)	752,944,094	50
2017	1,923,720,000	963,768,440	64
2018	6,717,605,142	4,030,563,085	184
2019	5,483,732,000	3,329,381,885	152
2020	(12,578,818,000)	0	0
2021	1,255,338,000	1,007,576,097	46

SHAREHOLDERS' INFORMATION

NOTICE! – UNCLAIMED DIVIDENDS

Guinness Nigeria Plc. hereby informs all our esteemed Shareholders and the general public that some dividend warrants and share certificates have been returned to the Registrar's office because the addresses of the shareholders could not be traced.

Shareholders are hereby reminded to check the list of unclaimed dividends which can be accessed at the offices of our Registrars provided below. Shareholders may also check unclaimed dividends using the search function below: **http://www.veritasregistrars.com/UnclaimedDividens.aspx**

We also encourage all our Shareholders to opt for the e-dividend and e-bonus options available online - **http://www.veritasregistrars.com/**

For enquiries and support, please contact the Registrars of Guinness Nigeria Plc.:

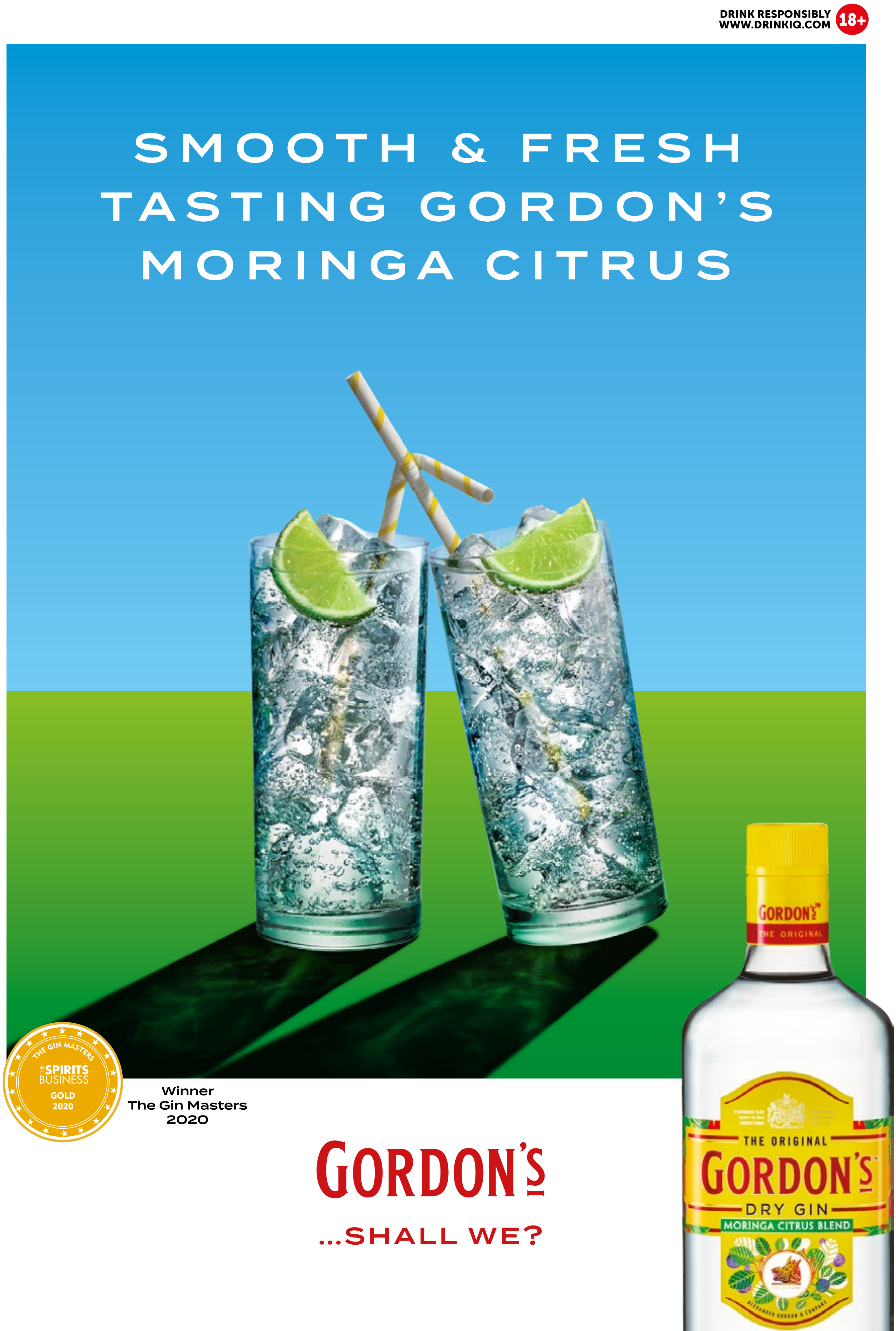
Veritas Registrars Limited
Plot 89A, Ajose Adeogun Street
Victoria Island
Lagos
Nigeria
Website: http://www.veritasregistrars.com/
Tel: 234-1-2708930-4
E-mail: enquiry@veritasregistrars.com
Veritasregistrars@veritasregistrars.com

Shareholders can also access the list of Unclaimed Dividends on the Guinness Nigeria website **www.guinness-nigeria.com.**

Abidemi Ademola
Legal Director/Company Secretary

Unclaimed Dividends With Dates

Dividends	Dates Declared
78	10/07/2008
79	28/11/2008
80	03/11/2009
81	15/11/2010
82	10/11/2011
83	05/11/2012
84	15/11/2013
85	14/11/2014
86	26/11/2015
87	23/11/2016
88	25/10/2017
89	24/10/2018
90	23/10/2019
91	26/10/2021
92	25/10/2022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Complaints Management Policy

1. Introduction

Guinness Nigeria Plc ("GNPLC" or "the Company") is committed to providing excellent service to all our shareholders. Our aim is to continuously improve our service to ensure we are meeting their needs and expectations and to encourage feedback on our performance. This Policy provides comprehensive guidelines for the management of shareholders' issues and complaints by the Company and our Registrar.

We recognize that complaints and compliments provide unique information about the quality of service our shareholders receive. The management of a complaint provides the opportunity for complainants to have their issues resolved promptly and efficiently ensures that any identified risks are managed appropriately, and that action is taken to minimize or eliminate those risks.

Guinness Nigeria Plc has therefore issued this Complaint Management Policy ("the Policy") in line with the requirements of the Securities and Exchange Commission's Rules Relating to the Complaints Management Framework of the Nigerian Capital Market ("SEC Rules") issued on 16th February, 2015 and the Nigerian Exchange Group Plc (NGX) 's Directive (NSE/ LARD/ LRD/CIR6/15/04/22) to all Listed Companies ("the NSE Directive") issued on 22nd April, 2015.

2. Objectives

The objectives of this Complaints Management Policy are to:

1. Assist the Company with the timely and effective management of complaints.
2. Establish a standard approach to complaints handling including the establishment of performance indicators to monitor compliance.
3. Ensure that the relevant employees of the Company and our Registrar are aware of their responsibilities and are empowered to manage complaints
4. Ensure that complaints and enquiries from the Company's shareholders are managed in a fair, impartial and efficient timely manner.

3. Principles

This Complaints Management Policy is underpinned by the following guiding principles:

- The management of Guinness Nigeria Plc and our Registrar are committed to providing quality service to all our shareholders.
- Shareholders are encouraged and enabled to provide feedback about the service they receive from the Company and our Registrar.
- All complaints are acknowledged and responded to promptly.
- All complaints are dealt with in a manner that is effective, complete, fair to all parties and provides just outcomes.
- Complaint information is openly communicated while protecting confidentiality and personal privacy.
- All complaints are recorded to enable review of individual cases and report on aggregated complaints information.
- Our Complaint Management Policy and practices are regularly evaluated and the information is used to improve services.

4. Scope

4.1This Policy shall apply to issues, enquiries or complaints from shareholders to the Company or the Registrar regarding shareholders' rights, interests or privileges and requiring a formal or informal response.

4.2. The Policy shall not apply to complaints on matters that are sub-judice or which do not relate to shareholders' rights, interests or privileges.

5. Roles and Responsibilities

5.1The Company Secretary

The Company Secretary has ultimate responsibility for ensuring that shareholders' complaints are received and attended to in a timely and efficient manner and shall ensure that the Registrar and all employees of the Company charged with the implementation of this Policy discharge their responsibilities efficiently and in a timely manner.

5.2 The Registrar
The Registrar shall be the first point of call for all shareholders' issues and complaints and shall ensure that these are attended to courteously, promptly and efficiently.

6. Steps in the Complaints Management Process

6.1 Complaints and enquiries by shareholders may be made as follows:

a) Contact the Registrar: Shareholders who wish to make a complaint/enquiry shall in the first instance contact the Registrar. The Registrar manages all the registered information relating to all shareholdings, including shareholder name(s), shareholder address and dividend payment instructions amongst others.

Upon receipt of a complaint or an enquiry, the Registrar shall immediately provide the relevant details of such complaint or enquiry to Guinness Nigeria Plc for monitoring, record keeping and reporting purposes.

In resolving complaints or enquiries, the Registrar shall be guided by the timelines stipulated in clause 5 (c-f) of this Policy.

b) Contact Guinness Nigeria Plc's Company Secretary: If the Registrar is unable to satisfactorily address and resolve a complaint, issue or enquiry by a shareholder within ten (10) working days, the shareholder may contact the office of the Company Secretary.

6.2.Where a complaint or an enquiry is sent to Guinness Nigeria Plc directly, the Company upon receipt of the complaint or enquiry, shall use its best endeavours to ensure that:

a) relevant details of the complaint or enquiry are immediately recorded.

b) a response is provided by the Company or the Registrar within the time frame set out in sub-clauses c-f below.

c) complaints or enquiries received by e-mail are acknowledged within two (2) working days of receipt.

d) complaints or enquiries received by post are responded to within five (5) working days of receipt.

e) all other complaints or enquiries are resolved within ten (10) working days of receipt.

f) The Nigerian Exchange Group Plc (NGX) is notified, within two (2) working days, of the resolution of a complaint or enquiry.

g) where a complaint/enquiry cannot be resolved within the stipulated timeframe set out above, the shareholder shall be notified that the matter is being investigated. It should be noted that delays may be experienced in some situations, including where documents need to be retrieved from storage.

h) the same or similar medium that was used for the initial enquiry is used in providing a response (whether by email, phone, post or fax), unless otherwise notified to or agreed with the shareholder.

7. Electronic Complaints Register

7.1 The Company shall maintain an electronic complaints register.

7.2 The electronic complaints register shall include the following information:

- The date that the enquiry or complaint was received.
- Complainant's information (including name, address, telephone number, e-mail address).
- Nature and details of the enquiry or complaint.
- Action taken/status.
- Date of the resolution of the complaint.

The Company shall also provide information on the details and status of complaints to the Securities and Exchange Commission and The Nigerian Exchange Group Plc (NGX) on a quarterly basis.

8. Liaison with the Registrar
During the course of investigating a shareholder's enquiry, complaint or feedback,

the Company may liaise with the Registrar to:

- determine the facts;
- determine what action has been undertaken by the Registrar (if any); and
- coordinate a response with the assistance of the Registrar.

9. Contact Details of the Registrar

The Registrar may be contacted as follows: Veritas Registrars Limited (formerly Zenith Registrars Limited) Plot 89A, Ajose Adeogun Street, Victoria Island, Lagos
Telephone:
+234 1 2708930 -4;
+234 1 2793873;
+234 1 2716116
E-mail:
enquiry@veritasregistrars.com
Website:
www.veritasregistrars.com

10. Contact Details of the Company Secretary

Shareholders seeking to escalate unresolved complaints are invited to contact the Company Secretary as follows:

The Company Secretary
Guinness Nigeria Plc
24, Oba Akran Avenue P.M.B. 21071, Ikeja, Lagos
Telephone: +234 1 2709100
E-mail: cosecgn@diageo.com
website:
www.guinness-nigeria.com

11. Communication of this Policy

This Policy shall be communicated as follows:

- The Policy shall be available on Guinness Nigeria Plc's website (www.guinness-nigeria.com).
- A shareholder may request a copy of this by contacting the Office of the Company Secretary.
- The Policy shall be made available for perusal at General Meetings of the Company.

12. Cost

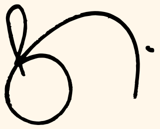
Wherever possible, and subject to statutory requirements, the Company will not charge shareholders for making enquiries, giving feedback, providing a response or for any aspect in the course of resolving a shareholder matter.

However, in some circumstances, the Registrar may charge shareholders a fee (for example, to resend previous dividend statements upon request by the shareholder).

13. Review of this Policy

This Policy may be reviewed from time to time by management and all changes, amendments or subsequent versions of this Policy will be published on Guinness Nigeria Plc website (www.guinness-nigeria.com).

Approved by the Board of Guinness Nigeria Plc and signed on its behalf by:



Adebayo Alli
Managing Director/
Chief Executive Officer

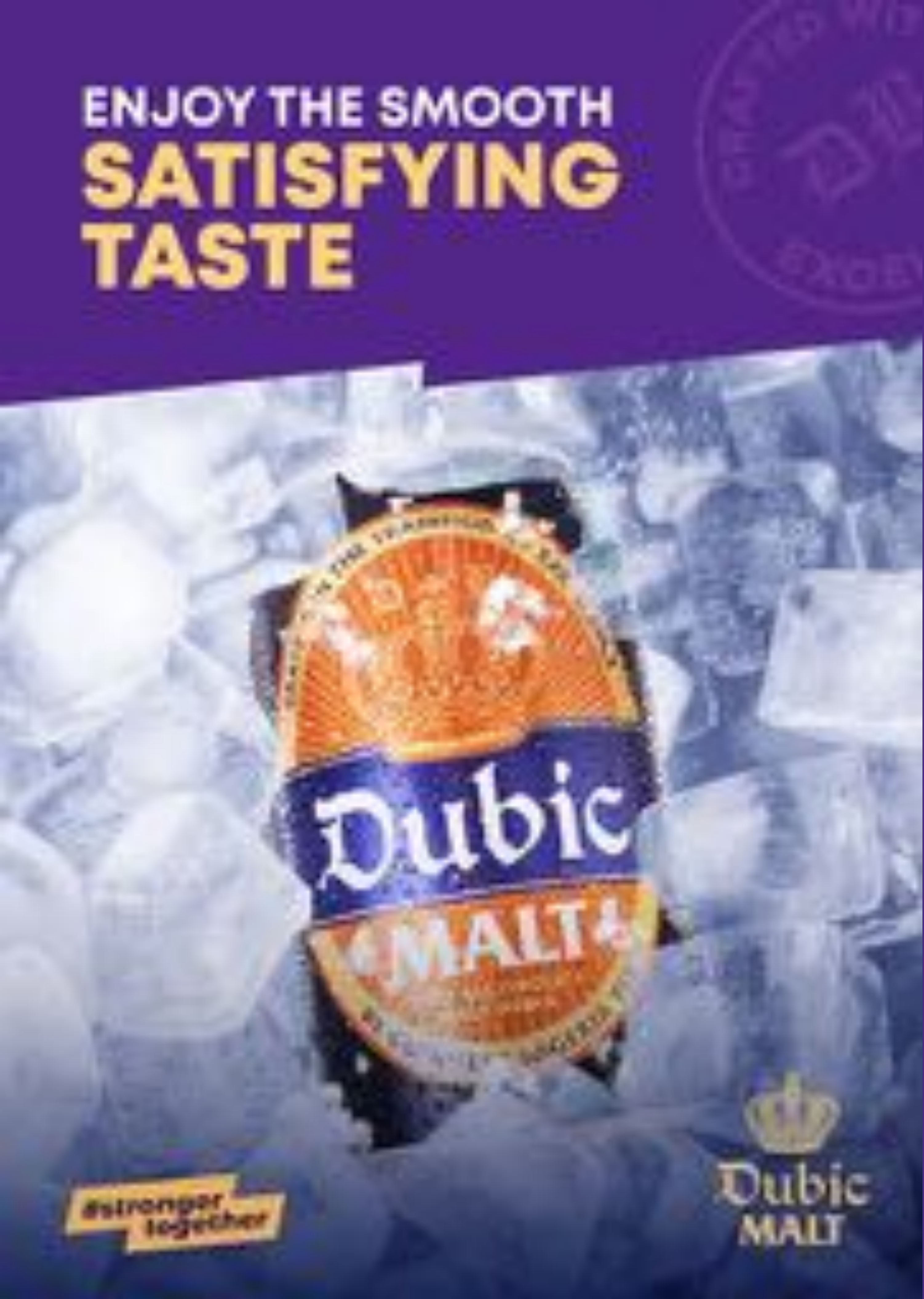
Abidemi Ademola
Legal Director/Company Secretary

Guinness Nigeria - Key Distributors

INNOVATION ERA NIGERIA LTD
NATHAN OFOMA & SONS LTD
PATRICK TELFORD AND COMPANY LTD
UNIVERSAL FINANCE CONSULT
IHECHIDERE ENT NIG LTD
J. JOCAC CO.NIG LTD
CHRISEMUA & SONS NIG. LTD
MAINFRAMES INT. TECH CONCEPT
MOOVIG NIGERIA LTD
BOLAMILEKAN INTEGRATED SERVICES LIMITED
AKINDELE FAJEMIYO INT'L LIMITED, AUCHI
BUSINESS VENTURES LTD
BUSINESS VENTURES LIMITED
STEVE IMAFIDON & SONS NIG. LTD
BUKAZIK AND SONS NIGERIA LIMITED
JOCEAN VENTURES NIG LTD
JEMIFOR DICKSON
VIKKY JOSH
CELESTINE OKEKE AND SONS NIG.
OBIANCO INT LTD
MERCY MENTRACO RESOURCES NIG.
G. A. DIKE & SONS LTD
ND & NK INVESTMENTS LTD
LASARO DYNAMIC OPTIONS LTD
MABILCO ENTERPRISE
HYCO INTERGRATED RESOURCE NIG
EDDINHO NIG. LTD - ENUGU
JIM HANSON RESOURCES CO. LTD
CHARLES BEN MOORE LIMITED
LASARO DYNAMIC OPTION LTD
P. N. IGWE AND SONS TRD CO. LTD
IMMACULATE BEVERAGES LIMITED
HART- G ASSOCIATES LIMITED
RESOURCE DIVINE ENERGY & LOGISTICS
DEW-POINT LIQUOR
SOUTH COAST BAR & LOUNGE
OBIANCO INT'L LIMITED
DESCAS LTD
ELYNI GLOBAL RESOURCES
MULTIBRIGHTY RESOURCES
CELESTINE OKEKE & SONS NIGERIA
FOLKY MERCHANT NIG LTD
JIBOTS GLOBAL LINKS LIMITED
MAWLAT VENTURES LIMITED
OZONE F&L TRADING COMPANY LIMITED
THAMES AGHEDO ENTERPRISES LTD
ABLETTDRIVE IMPACT SOLUTIONS LTD
ADUKREM INTEGRATED SERVICES LTD
VATQUB GLOBAL RESOURCES LTD
C. F ADENIYI NIG. LTD
MUDEFE CONCERNS LTD
OMOTAYO STORES
SANEG NIGERIA LTD
VIVID PURITY INT. LTD
SENNA ATLANTIC LIMITED
TASHO NIGERIA LTD
ALMA STORES LIMITED
ABIKKA TRADING CO LTD
BIMDOS NIG. LTD.
DENIKE AGORO ENTERPRISES
FUNKY STORES
VICMOND ADE LAGOS
YTTT DISTRIBUTION LTD
THE EDGE SHOPPERS WAREHOUSE LTD
EDDINHO NIG. LTD.
K. C. INVEST. (NIG.) LTD
E - UMEH TRADING STORES (NIG) LTD
PETERCO GLOBAL INVESTMENT LTD
UGONNAYA UGONNA & SONS LTD

RAYD GLOBAL SOLUTIONS LIMITED
KAIMA SUITES LTD
VIRGY .C. AZUBOGU & SONS NIG.
BONATEX GLOBAL NIGERIA LIMITED
INNOVATION ERA NIG LTD
P. N. DIBOR & COMPANY LIMITED
YOUNG OKOBIZ VENTURES LTD
HGOTET OIL NIGERIA LTD
MODUPE FOLARIN NIG LTD
ANBSOLITE ACCORD INVESTMENT LI
J OGUNGBOLA & SONS LIMITED (FO
ADEBANBUTAYO TRADING STORES
J OGUNGBOLA & SONS LIMITED
LEXICAN INVESTMENTS LIMITED
AKINDELE FAJEMIYO INTERNATIONAL LTD
O - FAGE NIG. LTD
OLAGUNSOYE WILLIAMS LIMITED
ESCO SUPERSTORES LIMITED
LUCKY DONASON WINES
PAVICHI RESOURCES
OBI NDU GLOBAL COMPANY LTD
JINDA C.K. NIG LTD - ABA
KOV INTEGRATED
1501 ENT
JURITE DELIGHT SERVICES LIMITED
OLAGUNSOYE WILLIAMS IPS
DON RICH MULTI
K.O. NNAKWE ENTERPRISES
0% XTRA LIQOUR INTERNATIONAL
C. A ONYIKE INVESTMENT LTD
ONI-MEGA BUSINESS CONCEPT NIG LTD
SAINT CLEMMY VENTURES
JOE'S AND J,S GLOBAL VENTURES
MERIS CORPORATE SERVICES
POSENTE NIG LTD
ANASTACIA DANIELLE DANIELS IRENE GAMS
BENSARVE NIGERIA ENTERPRISE
UZOEZIE IKECHUKWU TRADING STORES
KASLEY BUSINESS WORLD LIMITED
NNANNA & SONS NIGERIA LIMITED
THE SP24 ENTERPRISE
J. O OGE ENTERPRISES
JOE-P GLOBAL RESOURCES LIMITED
UCHE EZEAKU ENTERPRISES
GRIDEMA NIGERIA LIMITED
BENZOLIN VENTURES
ODEO TRADING COMPANY
ELEPHACO GLOBAL LIMITED
ST GOBISON ENTERPRISES NIGERIA
DIVINE BEES DISTRIBUTION NIG.
EZEKIEL CHIMOBI& KACHI ENTERPRISES
BLESSES IYKE ENTERPRISE
CHUKWUEBUKA JOHN VENTURES
OBROS TRADING STORES
AKA MEGA GLOBAL RESOURCES
EBONY HARDEN INTERNATIONAL LIMITED
BOLAMILEKAN INTEGRATED SERVICES
K-26 EXCLUSIVE VENTURES
AYOTECH GLOBAL ENTERPRISE
EARTHGATE NIGERIA ENTERPRISE
JANOJA INTEGRATED SERVICE
SHARE OF GOD INTERNATIONAL LTD
PETO UCHE NIGERIA LTD
EZECHIOBI ENTERPRISES LTD
EDDYSONS & PARTNERS INT'L LTD
EJULO INVESTMENTS LTD
EMMAEDGESON UNIQUE ENTERPRISES
KCD MEZDON INT'L COMPANY LIMITED
CHUBBY BROS INVESTMENT LTD
HATOB MULTI DYNAMICS LTD

A. C FABAC INVESTMENT LTD
ESENOWO NIGERIA COMPANY
AP RANKETH
PACC J GLOBAL
JB WINE N LIQUOR
14 DIVINE FAVOUR
SEYE ADENIKE INVESTMENT LTD
HIDEERA TRADING COMPANY NIG.
EBUMEK INVESTMENT LTD
CHIGOTEX ROYAL LINK INVESTMENT
O.A.A OGOMEK NIG LIMITED
ALH. M.O.T.K INT. LIMITED
BENGOLD INTERNATIONAL LIMITED
ADORABLE JOY COMPANY
CEE MARTINS EXCLUSIVE VENTURES
EFOSA TRADING STORES
MAYZEE EXCLUSIVE DRINKS LIMITED
FLAKKY-AY SUPERSTORE
FOLYMA PHARMAACY AND STORES LTD
FIRST UGOBEST GLOBAL VENTURES
BEST MORNING STAR UNIQUE SERVI
REAL CHYNOB VENTURES NIG LTD
S. O. OKEKE NIGERIA LIMITED
C. C OZOEMENA & COMPANY
OLLYTEX NIGERIA LIMITED
TALJOSH NIGEIA LIMITED
SYXSIM SERVICES LIMITED
TOOBEST GLOBAL INVESTMENT LTD
TOSAM RESOURCES AND SERVICES LTD
FIRST KORI HERITAGE
JOLILY INTEGRATED SERVICES
OKWUSON INTEGRATED VENTURES LTD
NORTEX BUSINESS LINK LTD
C & C JONIF
GAZUK INT
MEGAGEO CONCEPT
GBONJU BEE VENTURES
BLESSED PETERSON
OGBOHU NIGERIA ENTERPRISE
TIMBERLAND NIGERIA ENTERPRISES
NICE FLAVOUR NIGERIA LIMITED
FEMNIK ENTERPRISES
CANAPOCHE ENTERPRISES
OLUWANIFEMI NIGERIA ENTERPRISE
FERANYOMI GLOBAL CONCEPT
RETYJOF INT. COMPANY
A.E.O MULTI VENTURES
NIKVIC COMPANION LIM
MAC-GOLD ENT
O.U.K SUPERMARKET
LOMAT MULTI DYNAMIC VENTURES
GOZAK PHAMARCY (SMKT)
UNIQUE OCHO MULTI-BIZ COMPANY
FIRST CHUCKS INT. ENTERPRISE
BRAW MULTISERVICES COMPANY
HIS PIECE REIGN
AOS GOLD VENTURES
BENCHIZZY MULTIBIZ CONCEPT
ANGEL-IKY MULTINATIONAL RESOURCES
DRINFLOW CATALYST VENTURE
DON BRAVO


ENJOY THE SMOOTH
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TASTE
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MALT
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GUINNESS NIGERIA

PROXY FORM

74th Annual General Meeting of the Members of Guinness Nigeria Plc to be held at the Grand Banquet Hall, Civic Centre, Ozumba Mbadiwe Avenue, Victoria Island, Lagos State on Wednesday, 23rd October 2024 at 11.00 o'clock.

I/We* ....

....

Being a member/members of Guinness Nigeria Plc, hereby appoint**

....

or failing him/her, Dr. Omobola Johnson, or failing her, Mr. Adebayo Alli as my /our proxy to act and vote for me/us and on my/our behalf at the Annual General meeting of the Company to be held on Wednesday, 23rd October 2024 and at any adjournment thereof.

Dated this .... day of 2024

Shareholder's signature ....

*****_Delete as necessary_

1 A member (shareholder) entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy in his stead. All proxies should be deposited at the Registered Office not less than 48 hours before the time of holding the Meeting. In the case of joint shareholders, any of such may complete the form, but the names of all joint shareholders must be stated.

2 If the Shareholder is a corporation, this form must be under its common seal or under the hand of an officer or attorney duly authorized.

3 Provision has been made on this form for some Directors of the Company to act as your proxy, but if you wish, you may insert in the blank spaces on the form (marked **) the name of the person whether a member of the Company or not, who will attend the Meeting and vote on your behalf instead of the Directors.

4 Please sign the above proxy form and send it so as to reach the address of the Registrars, Veritas Registrars Limited, Plot 89A, Ajose Adeogun Street, Victoria Island, Lagos not less than 48 hours before the time of the holding of the Meeting. You may also scan and send the completed Proxy form to the Company's Registrars at **enquiry@veritasregistrars.com.**

5 The proxy must produce the Admission Card sent with the Notice of Meeting to obtain entrance to the meeting.

NUMBER OF SHARES

RESOLUTION	FOR	AGAINST	ABSTAIN
To confirm the appointment of the following Directors: 1. Mr. Adebayo Alli 2. Mrs. Vivien Shobo			
To re-elect as Director, Ms. Joan Hodgins			
To re-elect as Director, Mrs. Grainne Wafer			
To re-elect as Director, Prof. Fabian Ajogwu			
To authorize Directors to fix the remuneration of Independent Auditors			
To elect members of the Statutory Audit Committee			
SPECIAL BUSINESS			
To fix the remuneration of the Directors			
To renew the general mandate of the Company to enter into recurrent transactions with related parties for the Company's day to day operations			
To amend the Memorandum and Articles of Association of the Company as follows: The insertion of a new 56 to read as follows: 'Time & Place of Meeting The annual general meeting shall be held in such manner, at such time and place as the Directors shall appoint including virtually or by any other electronic means.' The insertion of a new 59.1 to read as follows: Notice of every General Meeting shall be given in any legal manner (including and without limitation to any mail, publication, physical or electronic means)			

Please indicate with an "X" in the appropriate box how you wish your votes to be cast on the resolution set out above. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion.

ADMISSION CARD

Please Admit

....

To the Annual General Meeting of Guinness Nigeria Plc which will be Address of Shareholder held at the Grand Banquet Hall, Civic Centre, Ozumba Mbadiwe Avenue, Victoria Island, Lagos State on Wednesday, 23rd October 2024 at 11.00 o'clock.

This admission card must be produced by the Shareholder or his proxy in order to obtain entrance to the Annual General Meeting.

Abidemi Ademola
Legal Director/Company Secretary

....

Name of Shareholder

....

Address of Shareholder

Number of Shares held

Affix Current Passport
(To be Stamped by Bankers)

Please write your name at the back of your passport photograph

e-DIVIDEND MANDATE FORM

Please completeall sections of this form to make it eligible for processing and return to the address below:

TheRegistrar,
Veritas Registrars Limited.
Plot 89A, Ajose Adeogun Street, Victoria Island, Lagos

Date : ☐☐ / ☐☐ / ☐☐☐☐

I/We hereby request that henceforth,all my/our dividend payment(s) due to me/us from my/our holdings in all the companies ticked at the right hand column be crediteddirectlyto my/ourbank detailed below.

Surname/Company Name | First Name | Other Names

Address

City | State | Country

Previous Address

Bank:

Bank Account No.:

Account Opening Date:

BVN 1:

BVN 2:
(for joint signatories)

Clearing House Number (CHN)

Please note thatOnly Clearing Banks are acceptable

Tick	Name of Company	Shareholder's Account No.
	Guinness Nigeria Plc	

Mobile Telephone 1

Mobile Telephone 2

E-mail Address

☑ *By signing this form, I/we hereby consent that Veritas Registrars Limited can collect and process my/our personal data for the purpose of managing my/our records in the companies for which Veritas Registrars Limited act as Registrars. I/we also confirm that I/we have read and accept the extent to which data can be collected and processed as contained in http://veritasregistrars.com/privatepolicy.aspx*

Shareholder's Signature or Thumbprint

Shareholder's Signature or Thumbprint

Company Seal/Incorporation No. (Corporate Shareholder)

Head Office: Plot 89A, Ajose Adeogun Street, P.O. Box 75315, Victoria Island, Lagos, Nigeria.
Telephone: +234 (1) 2784167, 2784168, 2784169; 0704 499 7048 (Text Messages only)
E-mail: enquiry@veritasregistrars.com, veritasregistrars@veritasregistrars.com; Website: www.veritasregistrars.com

NOTES


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ENJOY
A WORLD OF
GOOD


RC 771
GUINNESS
NIGERIA