

Guinness Nigeria Plc

Unaudited Financial Statements

For the period ended 30 September 2023

Contents


	Page
Condensed Statement of Financial Position	1
Condensed Income Statement	2
Condensed Statement of Comprehensive Income	3
Condensed Statement of Changes in Equity	4
Condensed Statement of Cash Flows	5
Notes to the Condensed Financial Statements	6

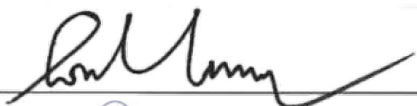
Statement of Financial Position


As at 30 September

	Notes	30 Sep 2023 N'000	30 Jun 2023 N'000
ASSETS			
<i>Non-current assets</i>			
Property, plant and equipment	13(a)	99,538,809	99,177,647
Right-of-use assets	22(a)	185,439	217,574
Intangible assets	14	537,518	549,950
Prepayments	15	—	—
Total non-current assets		100,261,766	99,945,171
<i>Current assets</i>			
Inventories	16	34,926,999	34,469,527
Trade and other receivables	17(a)	29,962,226	13,213,407
Prepayments	15	1,299,139	402,895
Restricted cash	18(a)	1,592,461	1,592,461
Cash and cash equivalents	18(b)	76,323,062	92,124,683
Total current assets		144,103,887	141,802,973
Total assets		244,365,653	241,748,144
Equity			
Share capital		1,095,191	1,095,191
Share premium		47,447,029	47,447,029
Retained earnings		10,478,449	7,882,396
Total equity		59,020,669	56,424,616
Liabilities			
<i>Non-current liabilities</i>			
Lease liabilities	22(b)	159,713	154,272
Employee benefits		1,189,442	1,155,169
Deferred tax liabilities		479,144	479,144
Total non-current liabilities		1,828,299	1,788,585
<i>Current liabilities</i>			
Current tax liabilities	12(b)	6,478,308	5,256,637
Dividend payable	20	1,668,896	1,695,832
Loans and borrowings	21(a)	58,995,534	63,755,939
Lease liabilities	22(b)	30	29
Contract liabilities	7(b)	232,635	1,590,422
Trade and other payables	23	116,141,282	111,236,084
Total current liabilities		183,516,685	183,534,943
Total liabilities		185,344,984	185,323,528
Total equity and liabilities		244,365,653	241,748,144

Approved by the Board of Directors on 24 October 2023 and signed on its behalf by:







Dr Omobola Johnson (Chairman)

FRC/2018/IODN/00000018366

John Musunga (Managing Director)

FRC/2023/PRO/DIR/003/432832

Emmanuel Difom (Finance & Strategy Director)

FRC/2022/PRO/ICAN/001/00000024174

The notes on pages 6 to 19 are integral parts of these financial statements.

Income Statement

For the period ended 30 September

	Notes	Quarter to date 30 September 2023	Year to date 30 September 2023	Quarter to date 30 September 2022	Year to date 30 September 2022
		N'000	N'000	N'000	N'000
Revenue	7(a)	59,536,477	59,536,477	52,849,881	52,849,881
Cost of sales		(41,398,835)	(41,398,835)	(34,610,404)	(34,610,404)
Gross profit		18,137,642	18,137,642	18,239,477	18,239,477
Other income	8(a)	1,395,931	1,395,931	660,382	660,382
Marketing and distribution expenses	8(b)	(8,313,860)	(8,313,860)	(9,414,001)	(9,414,001)
Administrative expenses		(3,345,581)	(3,345,581)	(3,580,995)	(3,580,995)
Profit from operating activities		7,874,132	7,874,132	5,904,863	5,904,863
Finance income	9(a)	563,929	563,929	597,504	597,504
Finance expense	9(b)	(4,620,337)	(4,620,337)	(2,459,991)	(2,459,991)
Net finance expense		(4,056,408)	(4,056,408)	(1,862,487)	(1,862,487)
Profit before income tax		3,817,724	3,817,724	4,042,376	4,042,376
Tax expense	12	(1,221,671)	(1,221,671)	(1,293,562)	(1,293,562)
Profit for the period		2,596,053	2,596,053	2,748,814	2,748,814
Earnings per share					
Basic and diluted earnings per share (kobo)			119		125

The notes on pages 6 to 19 are integral parts of these financial statements.

Statement of Comprehensive Income

For the period ended 30 September

	Quarter to date 30 September 2023	Year to date 30 September 2023	Quarter to date 30 September 2022	Year to date 30 September 2022
	N'000	N'000	N'000	N'000
Profit for the period	2,596,053	2,596,053	2,748,814	2,748,814
Total comprehensive income for the period	2,596,053	2,596,053	2,748,814	2,748,814

The notes on pages 6 to 19 are integral parts of these financial statements.

Statement of Changes in Equity

For the period ended 30 September

	Notes	Share capital	Share premium	Share based payment reserve	Retained earnings	Total equity
		N'000	N'000	N'000	N'000	N'000
Balance at 1 July 2022		1,095,191	47,447,029	—	41,437,171	89,979,391
Total comprehensive income						
Profit for the period		—	—	—	2,748,814	2,748,814
Total comprehensive income for the period		—	—	—	2,748,814	2,748,814
Transaction with owners, recorded directly in equity						
Unclaimed dividend written back	20	—	—	—	200,000	200,000
Share-based payment charge		—	—	57,814	—	57,814
Share-based payment recharge		—	—	(57,814)	—	(57,814)
Total transactions with owners		—	—	—	200,000	200,000
Balance at 30 September 2022		1,095,191	47,447,029	—	44,385,985	92,928,205
Balance at 1 July 2023		1,095,191	47,447,029	—	7,882,396	56,424,616
Total comprehensive income						
Profit for the year		—	—	—	2,596,053	2,596,053
Total comprehensive income for the period		—	—	—	2,596,053	2,596,053
Transaction with owners, recorded directly in equity						
Share-based payment charge		—	—	35,735	—	35,735
Share-based payment recharge		—	—	(35,735)	—	(35,735)
Total transactions with owners		—	—	—	—	—
Balance at 30 September 2023		1,095,191	47,447,029	—	10,478,449	59,020,669

The notes on pages 6 to 19 are integral parts of these financial statements.

Statement of Cash Flows

For the period ended 30 September

	Notes	3 Months Ended 30 September 2023 N'000	3 Months Ended 30 September 2022 N'000
Cash flows from operating activities			
Profit before income tax		3,817,724	4,042,376
<i>Adjustments for:</i>			
Depreciation of property plant and equipment	13(a)	2,418,535	2,197,224
Depreciation of right-of-use assets	22(a)	32,135	37,312
Amortisation of intangible assets	14	35,019	39
Write-off of property, plant and equipment	13(c)	37,021	36,077
Gain on disposal of property, plant and equipment	13(c)	—	(509,928)
Impairment/(Reversal of impairment) of inventories		(220,143)	81,268
Impairment of trade and other receivables	17(b)	530	596
Long service awards		31,923	35,310
Share-based payments		35,735	57,814
Finance income	9(a)	(563,930)	(597,504)
Finance expense	9(b)	4,620,335	2,459,991
Release of other provisions		(32,243)	(12,499)
		<u>10,212,641</u>	<u>7,828,076</u>
<i>Changes in working capital:</i>			
Inventories		(237,329)	(4,999,395)
Trade and other receivables	17(b)	(16,998,618)	(4,216,556)
Prepayments		(896,244)	(722,558)
Dividend payables	20	(26,936)	(17,177)
Trade and other payables		3,452,704	6,811,346
Cash (used in)/generated from operating activities		<u>(4,493,782)</u>	<u>4,683,736</u>
Income tax paid		—	(2,721,426)
Value added tax paid		(2,046,778)	(2,932,860)
Gratuity paid		—	(3,609)
Long service awards paid		(37,051)	(53,222)
Net cash used in from operating activities		<u>(6,577,611)</u>	<u>(1,027,381)</u>
Cash flows from investing activities			
Finance income received	9(a)	359,391	311,108
Proceeds from disposal of property, plant and equipment	13(c)	—	509,928
Acquisition of property, plant and equipment	13(b)	(2,511,755)	(2,002,898)
Acquisition of intangible assets	14	(11,463)	—
Net cash used in investing activities		<u>(2,163,827)</u>	<u>(1,181,862)</u>
Cash flows from financing activities			
Proceeds from loans and borrowings	21(b)	439,604	3,970,304
Repayment of loans and borrowings	21(b)	(6,171,206)	(6,191,544)
Repayment of principal portion of lease liabilities	22(b)	—	(13,579)
Finance expense paid	9(b)	(1,782,389)	(666,169)
Dividends paid	20	—	—
Net cash used in financing activities		<u>(7,513,991)</u>	<u>(2,900,988)</u>
Net decrease in cash and cash equivalents		(16,255,429)	(5,110,231)
Effect of foreign exchange rate changes on cash and cash equivalents		453,808	(73,094)
Cash and cash equivalents at 1 July		92,124,683	69,103,716
Cash and cash equivalents at 30 September	18(b)	<u><u>76,323,062</u></u>	<u><u>63,920,391</u></u>

The notes on pages 6 to 19 are integral parts of these financial statements.

Notes to the Financial Statements

For the period ended 30 September

Note	Page	Note	Page
1 Reporting entity	7	15 Prepayments	14
2a Basis of preparation	7	16 Inventories	14
2b Going concern basis of accounting	7	17 Trade and other receivables	15
2c Securities Trading Policy	7	18 Cash and cash equivalents	15
3 Functional and presentation currency	7	19 Share capital and reserves	16
4 Use of estimates and judgements	7	20 Dividends	16
5 Changes in accounting policies	7	21 Loans and borrowings	17
6 Significant accounting policies	7	22 Leases	18
7 Revenue	8	23 Trade and other payables	19
8 Other income and marketing and distribution expenses	8	24 Events after the reporting date	19
9 Finance income and finance expense	9		
10 Profit before taxation	10		
11 Personnel expenses	10		
12 Taxation	10		
13 Property, plant and equipment (PPE)	11		
14 Intangible assets	13		

1. Reporting entity

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

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

2a. Basis of preparation

The interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB), and both requirements of the Financial Reporting Council of Nigeria Act and the Companies and Allied Matters Act. The financial statements were authorised for issue by the Board of Directors on 24 October 2023.

2b. Going concern basis of accounting

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

2c. Securities Trading Policy

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

3. Functional and presentation currency

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

4. Use of estimates and judgements

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

5. Changes in accounting policies

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

6. Significant accounting policies

The Company applied accounting policies consistent to those applied in the Company's financial statement as at year ended 30 June 2023.

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

	30 Sep 2023	30 Sep 2022
	N'000	N'000
Nigeria	58,692,740	51,907,701
Export	843,737	942,180
	<u>59,536,477</u>	<u>52,849,881</u>

b. Liabilities relating to contracts with customers

	30 Sep 2023	30 Jun 2023
	N'000	N'000
Contract liabilities	<u>232,635</u>	<u>1,590,422</u>

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

	30 Sep 2023	30 Sep 2022
	N'000	N'000
Income from leased assets	—	61,922
Sale of by-products	42,485	88,532
Gain on disposal of property, plant and equipment	—	509,928
Promisory note from EEG	1,353,446	—
	<u>1,395,931</u>	<u>660,382</u>

b. Marketing and distribution expenses:

	30 Sep 2023	30 Sep 2022
	N'000	N'000
Marketing expenses	4,552,361	4,897,906
Distribution expenses	3,761,499	4,516,095
	<u>8,313,860</u>	<u>9,414,001</u>

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

	30 Sep 2023	30 Sep 2022
	N'000	N'000
Total interest income arising from financial assets	359,391	311,108
Accrued interest	155,106	286,045
Gain on re-measurement of foreign currency balances	49,432	351
Interest impact on remeasurement of lease liability	—	—
	<u>563,929</u>	<u>597,504</u>

ii. Finance income received in the statement of cash flows

	30 Sep 2023	30 Sep 2022
	N'000	N'000
Finance income per income statement	563,929	597,504
Unrealised foreign exchange gain	(49,432)	(351)
Accrued interest	(155,106)	(286,045)
Interest impact on remeasurement of lease liability	—	—
	<u>359,391</u>	<u>311,108</u>

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

	30 Sep 2023	30 Sep 2022
	N'000	N'000
Interest expense on loans and borrowings	148,523	702,834
Accrued interest	866,172	191,721
Interest expense on lease liabilities	5,441	5,425
Interest expense on employee benefits	39,401	43,616
Exchange difference on letter of credits	224,305	—
Exchange difference on foreign currency loan	439,640	387,448
Loss on remeasurement of foreign currency balances	2,896,855	1,128,947
	<u>4,620,337</u>	<u>2,459,991</u>

ii. Finance expense paid in the statement of cash flows

	30 Sep 2023	30 Sep 2022
	N'000	N'000
Finance expense per income statement	4,620,337	2,459,991
Interest expense on employee benefits	(39,401)	(43,616)
Accrued interest	(866,172)	(191,721)
Unrealised foreign exchange loss	(1,932,375)	(1,558,485)
	<u>1,782,389</u>	<u>666,169</u>

10. Profit before taxation

Profit before taxation is stated after charging:

	30 Sep 2023	30 Sep 2022
	N'000	N'000
Depreciation of property, plant and equipment (Note 13(a))	2,418,535	2,197,224
Depreciation of right-of-use assets (Note 22(a))	32,134	37,312
Write-off of property plant and equipment (Note 13(c))	37,021	36,077
Amortisation of intangible assets (Note 14)	35,019	39
Personnel expenses (Note 11)	4,646,642	3,824,044
Gain on disposal of property, plant and equipment (Note 13(c))	—	(509,928)
Rental expenses	193,127	89,223
Royalty and technical service fees	373,775	393,426

11. Personnel expenses

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

	30 Sep 2023	30 Sep 2022
	N'000	N'000
Salaries, wages and allowances	4,256,834	3,409,924
Contributions to defined contribution plans	331,496	320,996
Share-based payments expense	35,735	57,814
Other long term employee benefits	31,923	35,310
Release of termination expense	(9,346)	—
Total personnel expenses	4,646,642	3,824,044

12. Taxation**a. Amounts recognised in income statement**

	30 Sep 2023	30 Sep 2022
	N'000	N'000
Current tax expense:		
Current income tax charge	1,145,317	1,212,714
Tertiary education tax	76,354	80,848
	1,221,671	1,293,562

b. Movement in current tax liabilities

	30 Sep 2023	30 Jun 2023
	N'000	N'000
Balance at 1 July	5,256,637	8,740,294
Payments during the period/year	—	(9,477,028)
Charge for the period/year	1,221,671	5,098,352
Charge on prior years' Tax Audits	—	895,019
Balance at the end of period/year	6,478,308	5,256,637

13. Property, plant and equipment (PPE)

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

	Leasehold land	Buildings	Plant and machinery	Furniture and equipment	Motor vehicles	Returnable packaging materials	Capital work- in-progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost								
At 1 July 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 from intangibles	—	—	—	—	—	—	(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	—	(12,459)	(778,630)	(162,502)	(3,105,921)	(13,459,612)	4,691	(17,514,433)
Disposal	—	—	—	(3,683)	(244,655)	(562,593)	—	(810,931)
At 30 June 2023	<u>9,159,782</u>	<u>25,574,124</u>	<u>107,512,876</u>	<u>444,735</u>	<u>6,494,972</u>	<u>23,353,205</u>	<u>2,748,094</u>	<u>175,287,788</u>
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
Additions	—	177,410	342,323	—	320,350	675,509	1,312,250	2,827,842
Write-offs	—	—	(164,631)	—	(63,765)	—	—	(228,396)
Transfer	28,712	80,537	661,949	7,007	—	29,859	(819,188)	(11,124)
At 30 September 2023	<u>9,188,494</u>	<u>25,832,071</u>	<u>108,352,517</u>	<u>451,742</u>	<u>6,751,557</u>	<u>24,058,573</u>	<u>3,241,156</u>	<u>177,876,110</u>
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)
Reclassification from intangibles	—	—	—	—	—	—	—	—
Charge for the year	—	(540,916)	(4,995,295)	(13,630)	(935,551)	(2,774,344)	—	(9,259,736)
Write-offs	—	12,193	704,927	162,465	3,101,721	13,459,612	—	17,440,918
Disposals	—	—	—	3,683	244,655	562,593	—	810,931
At 30 June 2023	<u>(144,120)</u>	<u>(5,625,399)</u>	<u>(52,034,094)</u>	<u>(282,954)</u>	<u>(4,039,134)</u>	<u>(13,984,440)</u>	<u>—</u>	<u>(76,110,141)</u>
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	—	(146,513)	(1,191,759)	(5,114)	(296,261)	(778,888)	—	(2,418,535)
Write-offs	—	—	131,310	—	60,065	—	—	191,375
At 30 September 2023	<u>(144,120)</u>	<u>(5,771,912)</u>	<u>(53,094,543)</u>	<u>(288,068)</u>	<u>(4,275,330)</u>	<u>(14,763,328)</u>	<u>—</u>	<u>(78,337,301)</u>
Carrying amount								
At 30 June 2023	<u>9,015,662</u>	<u>19,948,725</u>	<u>55,478,782</u>	<u>161,781</u>	<u>2,455,838</u>	<u>9,368,765</u>	<u>2,748,094</u>	<u>99,177,647</u>
At 30 September 2023	<u>9,044,374</u>	<u>20,060,159</u>	<u>55,257,974</u>	<u>163,674</u>	<u>2,476,227</u>	<u>9,295,245</u>	<u>3,241,156</u>	<u>99,538,809</u>

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

	30 Sep 2023	30 Sep 2022
	N'000	N'000
Additions during the year (Note 13(a))	2,827,842	2,229,736
Payments on prior year accruals for additions	823,020	1,321,482
Accruals on current year acquisitions	(1,139,108)	(1,548,320)
	<u>2,511,754</u>	<u>2,002,898</u>

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

	30 Sep 2023	30 Sep 2022
	N'000	N'000
Cost of Property, plant and equipment written off	228,396	2,024,231
Accumulated depreciation on Property, plant and equipment written off	(191,375)	(1,988,154)
Carrying amount of Property, plant and equipment written off	37,021	36,077
Proceeds from disposal of property, plant and equipment	—	(509,928)
	<u>37,021</u>	<u>(473,851)</u>
Analysed as:		
Carrying amount of property, plant and equipment written off	37,021	36,077
Gain on disposal of property, plant and equipment	—	(509,928)
	<u>37,021</u>	<u>(473,851)</u>

14. Intangible assets

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

	Distribution right	Computer software	Total
	N'000	N'000	N'000
Cost			
Balance at 1 July 2022	995,250	232,831	1,228,081
Reclassification from Property, plant and equipment	—	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 Property, plant and equipment	—	11,124	11,124
Additions	—	11,463	11,463
Disposals	—	—	—
Write-offs	—	—	—
Balance at 30 September 2023	995,250	862,293	1,857,543
Amortisation			
Balance at 1 July 2022	(995,250)	(232,505)	(1,227,755)
Reclassification from Property, plant and equipment	—	(88,385)	(88,385)
Write-offs	—	—	—
Charge for the year	—	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)
Reclassification from Property, plant and equipment	—	—	—
Write-offs	—	—	—
Charge for the year	—	(35,019)	(35,019)
Balance at 30 September 2023	(995,250)	(324,775)	(1,320,025)
Carrying amount			
At 30 June 2023	—	549,950	549,950
At 30 September 2023	—	537,518	537,518

15. Prepayments

Prepayments comprise:

	30 Sep 2023	30 Jun 2023
	N'000	N'000
Prepaid rent	43,528	202,579
Other prepaid expenses	1,255,611	200,316
	<u>1,299,139</u>	<u>402,895</u>
Prepayments is analysed into:		
	N'000	N'000
Non-current	—	—
Current	1,299,139	402,895
	<u>1,299,139</u>	<u>402,895</u>

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

16. Inventories

Inventories comprise:

	30 Sep 2023	30 Jun 2023
	N'000	N'000
Finished products	10,096,330	9,987,251
Products in process	1,835,798	3,179,126
Raw materials and packaging materials	7,768,699	6,265,448
Engineering spares	12,412,825	12,412,069
Inventories in transit	2,813,347	2,625,633
	<u>34,926,999</u>	<u>34,469,527</u>

17. Trade and other receivables

- a. Trade and other receivables comprise:

Financial assets:

	30 Sep 2023	30 Jun 2023
	N'000	N'000
Trade receivables	14,599,948	9,985,739
Other receivables	214,600	94,815
Advance payments to suppliers	10,965,385	1,240,109
Amounts due from related parties	100,104	23,541
Total financial assets	<u>25,880,037</u>	<u>11,344,204</u>

Non-financial assets:

Other receivables - current	4,082,189	1,869,203
Total trade and other trade receivables	<u>29,962,226</u>	<u>13,213,407</u>

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

	30 Sep 2023	30 Jun 2023
	N'000	N'000
Change in current trade and other receivables	(16,748,819)	865,493
Unrealised exchange gain	(404,375)	1,681,312
Accrued finance income	155,106	52,363
Charge for of expected credit loss on (financial) trade and other receivables	(530)	(9,106)
	<u>(16,998,618)</u>	<u>2,590,062</u>

18. Cash and cash equivalents

- a. Restricted cash:

	30 Sep 2023	30 Jun 2023
	N'000	N'000
Restricted cash	<u>1,592,461</u>	<u>1,592,461</u>

- b. Cash and cash equivalents:

	30 Sep 2023	30 Jun 2023
	N'000	N'000
Bank balances	42,718,686	73,424,683
Short-term deposits	33,604,376	18,700,000
Cash and cash equivalents	<u>76,323,062</u>	<u>92,124,683</u>
Cash and cash equivalents in the statement of cash flows	<u>76,323,062</u>	<u>92,124,683</u>

19. Share capital and reserves

- a. Authorised ordinary shares of 50k each

in thousand of shares

	30 Sep 2023	30 Jun 2023
At the end of period/year	<u>2,190,383</u>	<u>2,190,383</u>

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

in thousand of shares

	30 Sep 2023	30 Jun 2023
At the end of period/year	<u>2,190,383</u>	<u>2,190,383</u>

- c. Share premium

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

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

- d. Share-based payment reserve

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

20. Dividends

Dividend payable:

	30 Sep 2023	30 Jun 2023
	N'000	N'000
At 1 July	1,695,832	1,933,364
Declared dividend	—	15,639,333
Declared, but not yet paid dividend - Related parties	—	(9,074,535)
Unclaimed dividend transferred to retained earnings	—	(252,599)
Unclaimed dividend with Registrar	(26,936)	65,067
Payments during the period/year:		
Paid to the registrar	—	(50,000)
Cash and cash equivalents	—	(6,564,798)
At the end of period/year	<u>1,668,896</u>	<u>1,695,832</u>

	30 Sep 2023	30 Jun 2023
	N'000	N'000
Dividend payable is represented by		
Restricted cash	1,592,461	1,592,461
Balance with Registrar	76,435	103,371
At the end of period/year	<u>1,668,896</u>	<u>1,695,832</u>

21. Loans and borrowings

a. Loans and borrowings comprise:

	30 Sep 2023	30 Jun 2023
	N'000	N'000
Related party loans	18,672,361	17,925,469
Letters of credit	40,323,173	45,830,470
Total loans and borrowings	<u>58,995,534</u>	<u>63,755,939</u>

The total loans and borrowings is classified as follows:

	30 Sep 2023	30 Jun 2023
	N'000	N'000
<i>Current liabilities</i>		
Related party loans	18,672,361	17,925,469
Letters of credit loans	40,323,173	45,830,470
Total current loans and borrowings	58,995,534	63,755,939
Total loans and borrowings	<u>58,995,534</u>	<u>63,755,939</u>

b. Movement in loans and borrowings:

	30 Sep 2023	30 Jun 2023
	N'000	N'000
At 1 July	63,755,938	31,309,343
Proceeds from loans and borrowings obtained during the period/year	439,604	12,383,535
Finance expense:		
- Interest expense	148,523	1,686,864
- Interest expense - accrued	866,172	2,307,377
Withholding tax on interest expense	—	(51,408)
Exchange difference on letter of credits	224,305	19,603,028
Exchange difference on foreign currency loan	439,640	8,050,909
Interest paid	(707,442)	(1,686,864)
Loans repaid during the period/year	(6,171,206)	(9,846,846)
At the end of period/year	<u>58,995,534</u>	<u>63,755,938</u>

22. Leases

a. Right-of-use assets

Movement in right-of-use assets:

	Land & Building	Total
	N'000	N'000
Gross carrying value		
At 1 July 2022	844,264	844,264
Remeasurement of Right-of-use assets	(17,094)	(17,094)
Additions	—	—
Write-off	(89,355)	(89,355)
At 30 June 2023	<u>737,815</u>	<u>737,815</u>
At 1 July 2023	737,815	737,815
Remeasurement of Right-of-use assets	—	—
Write-off	—	—
At 30 September 2023	<u>737,815</u>	<u>737,815</u>
Accumulated depreciation		
At 1 July 2022	(475,752)	(475,752)
Depreciation charge	(133,844)	(133,844)
Write-off	89,355	89,355
At 30 June 2023	<u>(520,241)</u>	<u>(520,241)</u>
At 1 July 2023	(520,241)	(520,241)
Depreciation charge	(32,135)	(32,135)
Write-off	—	—
At 30 September 2023	<u>(552,376)</u>	<u>(552,376)</u>
Net book value at 30 June 2023	<u>217,574</u>	<u>217,574</u>
Net book value at 30 September 2023	<u>185,439</u>	<u>185,439</u>

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

b. Lease liabilities

Movement in lease liabilities:

	N'000
At 1 July 2022	177,195
Additions	—
Remeasurement	(17,094)
Interest expense on leases	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	<u>154,302</u>
At 1 July 2023	154,302
Remeasurement	—
Interest expense on leases	5,441
Payment of lease liabilities:	
- Repayment of the principal portion of the lease liabilities	—
- Interest paid on lease liabilities	—
At 30 September 2023	<u>159,743</u>
Presented as:	
Current	30
Non-current	159,713
At 30 September 2023	<u>159,743</u>

23. Trade and other payables

Trade and other payables comprise:

	30 Sep 2023	30 Jun 2023
	N'000	N'000
Financial liabilities:		
Trade payables	33,078,057	34,368,756
Other payables and accrued expenses	10,909,846	10,646,549
Amount due to related parties	70,232,986	62,420,406
Total financial liabilities	<u>114,220,889</u>	<u>107,435,711</u>
Non-financial liabilities:		
Refund liabilities	125,739	83,229
Other payables and accrued expenses	1,794,653	3,717,144
Total non-financial liabilities	<u>1,920,392</u>	<u>3,800,373</u>
Total trade and other payables	<u>116,141,281</u>	<u>111,236,084</u>

24. Events after the reporting date

There are no significant subsequent events, which could have had a material effect on the financial statements of the Company as at 30 September 2023 that have not been adequately provided for or disclosed in the financial statements.

On 5 October 2023 the company announced that, with effect from April 2024, it will no longer import or distribute certain Diageo international premium spirits products, including Johnnie Walker, Singleton, and Baileys and others imported under its 2016 Sale & Distribution Agreement with Diageo plc.

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