

Guinness Nigeria Plc

Unaudited Financial Statements

For the period ended 31 December 2021

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Statement of Financial Position

As at 31 December

	Notes	31 Dec 2021 N'000	30 Jun 2021 N'000
ASSETS			
<i>Non-current assets</i>			
Property, plant and equipment	13(a)	95,532,421	94,236,887
Right-of-use assets	22(a)	410,095	432,001
Intangible assets	14	404	2,092
Total non-current assets		<u>95,942,920</u>	<u>94,670,980</u>
<i>Current assets</i>			
Inventories	16	27,175,411	21,460,505
Trade and other receivables	17(a)	14,760,106	14,019,385
Prepayments	15	515,125	404,940
Restricted cash	18(a)	2,076,760	2,981,881
Cash and cash equivalents	18(b)	59,233,577	35,868,834
Total current assets		<u>103,760,979</u>	<u>74,735,545</u>
Total assets		<u><u>199,703,899</u></u>	<u><u>169,406,525</u></u>
Equity			
Share capital		1,095,191	1,095,191
Share premium		47,447,029	47,447,029
Retained earnings		35,065,311	25,744,355
Total equity		<u>83,607,531</u>	<u>74,286,575</u>
Liabilities			
<i>Non-current liabilities</i>			
Lease liabilities	22(b)	184,085	184,309
Employee benefits		1,315,579	1,264,530
Deferred tax liabilities		10,877,427	10,877,427
Total non-current liabilities		<u>12,377,091</u>	<u>12,326,266</u>
<i>Current liabilities</i>			
Current tax liabilities	12(b)	4,501,646	992,986
Dividend payable	20(a)	2,167,422	3,122,693
Loans and borrowings	21(a)	25,223,476	15,993,143
Lease liabilities	22(b)	43	293,391
Contract liabilities	7(b)	649,990	715,937
Trade and other payables	23	71,176,700	61,675,534
Total current liabilities		<u>103,719,277</u>	<u>82,793,684</u>
Total liabilities		<u>116,096,368</u>	<u>95,119,950</u>
Total equity and liabilities		<u><u>199,703,899</u></u>	<u><u>169,406,525</u></u>

Approved by the Board of Directors on 26 January 2022 and signed on its behalf by:



Dr Omobola Johnson (Chairman)

FRC/2018/IODN/00000018366



Baker Magunda (Managing Director)

FRC/2019/IODN/00000019411



Ogochukwu Agu (Head of Commercial Finance,

For: Finance and Strategy Director)*

*The waiver of the FRCN has been received for this Authorized signatory to sign the unaudited Financial Statements of the Company pending registration with FRCN.

The notes on pages 6 to 20 are integral parts of these financial statements.

Income Statement

For the period ended 31 December

	Notes	Quarter to date 31 December 2021	Year to date 31 December 2021	Quarter to date 31 December 2020	Year to date 31 December 2020
		N'000	N'000	N'000	N'000
Revenue	7(a)	61,655,076	109,124,503	42,326,528	72,350,739
Cost of sales		(40,383,741)	(72,616,506)	(30,751,941)	(53,765,119)
Gross profit		21,271,335	36,507,997	11,574,587	18,585,620
Other income	8(a)	1,126,463	1,374,017	489,881	697,019
Marketing and distribution expenses	8(b)	(12,251,375)	(18,831,330)	(6,074,148)	(10,698,895)
Administrative expenses		(3,061,375)	(5,459,208)	(2,861,087)	(4,868,196)
Profit from operating activities		7,085,048	13,591,476	3,129,234	3,715,548
Finance income	9(a)	126,679	633,127	(126,965)	335,282
Finance costs	9(b)	(186,759)	(1,252,779)	(1,391,183)	(2,757,223)
Net finance costs		(60,080)	(619,652)	(1,518,148)	(2,421,942)
Profit before income tax		7,024,968	12,971,824	1,611,086	1,293,606
Tax expense	12	(2,247,992)	(4,150,984)	(1,086,860)	(1,611,027)
Profit/(Loss) for the period		4,776,976	8,820,840	524,226	(317,421)
Earnings per share					
Basic and diluted earnings per share (kobo)			403		(14)

The notes on pages 6 to 20 are integral parts of these financial statements.

Statement of Comprehensive Income

For the period ended 31 December

Note	Quarter to date 31 December 2021	Year to date 31 December 2021	Quarter to date 31 December 2020	Year to date 31 December 2020
	N'000	N'000	N'000	N'000
Profit/(Loss) for the period	4,776,976	8,820,840	524,226	(317,421)
Total comprehensive income/(loss) for the period	<u>4,776,976</u>	<u>8,820,840</u>	<u>524,226</u>	<u>(317,421)</u>

The notes on pages 6 to 20 are integral parts of these financial statements.

Statement of Changes in Equity

For the period ended 31 December

Notes	Share capital	Share premium	Share based payment reserve	Retained earnings	Total equity
	N'000	N'000	N'000	N'000	N'000
Balance at 1 July 2020	1,095,191	47,447,029	—	24,495,920	73,038,140
Total comprehensive loss					
Loss for the period	—	—	—	(317,421)	(317,421)
Total comprehensive loss for the period	—	—	—	(317,421)	(317,421)
Transaction with owners, recorded directly in equity					
Dividends to equity holders	—	—	—	—	—
Share-based payment charge	—	—	53,707	—	53,707
Share-based payment recharge	—	—	(53,707)	—	(53,707)
Total transactions with owners	—	—	—	—	—
Balance at 31 December 2020	<u>1,095,191</u>	<u>47,447,029</u>	<u>—</u>	<u>24,178,499</u>	<u>72,720,719</u>
Balance at 1 July 2021	1,095,191	47,447,029	—	25,744,355	74,286,575
Total comprehensive income					
Profit for the year	—	—	—	8,820,840	8,820,840
Total comprehensive income for the period	—	—	—	8,820,840	8,820,840
Transaction with owners, recorded directly in equity					
Dividends to equity holders	—	—	—	(422,942)	(422,942)
Unclaimed dividend written back	—	—	—	923,058	923,058
Share-based payment charge	—	—	98,965	—	98,965
Share-based payment recharge	—	—	(98,965)	—	(98,965)
Total transactions with owners	—	—	—	500,116	500,116
Balance at 31 December 2021	<u>1,095,191</u>	<u>47,447,029</u>	<u>—</u>	<u>35,065,311</u>	<u>83,607,531</u>

The notes on pages 6 to 20 are integral parts of these financial statements.

Statement of Cash Flows

For the period ended 31 December

	Note	6 Months Ended 31 December 2021	6 Months Ended 31 December 2020
		N'000	N'000
Cash flows from operating activities			
Profit before income tax		12,971,824	1,293,606
<i>Adjustments for:</i>			
Depreciation of property plant and equipment	13(a)	4,250,580	3,860,687
Depreciation of right-of-use assets	22(a)	64,252	168,933
Amortisation of intangible assets	14	1,687	98,664
Write-off of property, plant and equipment	13(c)	634,429	—
Gain on disposal of property, plant and equipment	13(a)	(791,430)	248,303
Impairment of inventories		284,084	773,794
(Reversal of impairment)/impairment of trade and other receivables		(18,823)	687,841
Long service awards		58,513	65,877
Share-based payments		98,965	53,707
Charges on lease liabilities		—	(25,374)
Finance income	9(a)	(633,127)	(335,282)
Finance costs	9(b)	1,252,779	2,757,223
Release of other provisions		(428,643)	—
		<u>17,745,090</u>	<u>9,647,979</u>
<i>Changes in working capital:</i>			
Inventories		(5,998,990)	7,786,173
Trade and other receivables	17(b)	(497,645)	10,011,372
Prepayments		(110,185)	233,969
Dividend payables	20	(50,150)	(42,980)
Trade and other payables		13,175,443	17,765,556
Cash generated from operating activities		<u>24,263,563</u>	<u>45,402,069</u>
Income tax paid		(642,324)	(1,795,524)
Value added tax paid		(4,661,272)	(2,835,951)
Gratuity paid		(14,769)	(70,565)
Long service awards paid		(70,271)	(47,152)
Net cash generated from operating activities		<u>18,874,927</u>	<u>40,652,876</u>
Cash flows from investing activities			
Finance income received	9(a)	385,453	(84,464)
Proceeds from disposal of property, plant and equipment	13(c)	791,430	—
Acquisition of property, plant and equipment	13(b)	(3,945,945)	(1,288,176)
Acquisition of intangible assets		—	(23,480)
Net cash used in investing activities		<u>(2,769,062)</u>	<u>(1,396,120)</u>
Cash flows from financing activities			
Proceeds from loans and borrowings	21(b)	15,720,826	21,668,449
Repayment of loans and borrowings	21(b)	(7,107,008)	(33,105,119)
Repayment of principal portion of lease liabilities	22(b)	(294,398)	(47,962)
Finance costs paid	9(b)	(637,438)	(1,292,007)
Dividends paid	20	(422,942)	—
Net cash generated from/(used in) financing activities		<u>7,259,040</u>	<u>(12,776,638)</u>
Net increase in cash and cash equivalents		23,364,905	26,480,118
Effect of foreign exchange rate changes on cash and cash equivalents		(162)	142,671
Cash and cash equivalents at 1 July		35,868,834	4,961,712
Cash and cash equivalents at 31 December	18(b)	<u><u>59,233,577</u></u>	<u><u>31,584,501</u></u>

The notes on pages 6 to 20 are integral parts of these financial statements.

Notes to the Financial Statements

For the period ended 31 December

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1. Reporting entity

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

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

2a. Basis of preparation

The interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). The financial statements were authorised for issue by the Board of Directors on 26 January 2022.

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 first quarter of 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 2021.

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

	31 Dec 2021	31 Dec 2020
	N'000	N'000
Nigeria	108,037,217	71,529,797
Export	1,087,286	820,942
	<u>109,124,503</u>	<u>72,350,739</u>

b. Liabilities relating to contracts with customers

	31 Dec 2021	30 Jun 2021
	N'000	N'000
Contract liabilities	<u>649,990</u>	<u>715,937</u>

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

	31 Dec 2021	31 Dec 2020
	N'000	N'000
Income from leased assets	158,034	176,761
Sale of by-products	424,553	161,240
Gain on disposal of property, plant and equipment	791,430	359,018
	<u>1,374,017</u>	<u>697,019</u>

b. Marketing and distribution expenses:

	31 Dec 2021	31 Dec 2020
	N'000	N'000
Marketing expenses	10,738,248	5,617,762
Distribution expenses	8,093,082	5,081,132
	<u>18,831,330</u>	<u>10,698,894</u>

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

	31 Dec 2021	31 Dec 2020
	N'000	N'000
Total interest income arising from financial assets	385,453	84,464
Gain on re-measurement of foreign currency balances	206,154	250,818
Interest impact on remeasurement of lease liability	41,520	—
	<u>633,127</u>	<u>335,282</u>

ii. Finance income received in the statement of cash flows

	31 Dec 2021	31 Dec 2020
	N'000	N'000
Finance income per income statement	633,127	335,282
Unrealised exchange gain	(206,154)	(250,818)
Accrued finance income	—	—
Interest impact on remeasurement of lease liability	(41,520)	—
	<u>385,453</u>	<u>84,464</u>

b. Finance costs are as follows:**i. Finance cost per income statement**

	31 Dec 2021	31 Dec 2020
	N'000	N'000
Finance expense on loans and borrowings	275,909	1,316,705
Interest expense on bank overdraft	—	—
Interest expense on lease liabilities	33,788	16,152
Interest expense on employee benefits	77,576	65,778
Exchange difference on foreign currency loan	195,098	(248,902)
Loss on re-measurement of foreign currency balances	670,408	1,607,490
	<u>1,252,779</u>	<u>2,757,223</u>

ii. Finance cost paid in the statement of cash flows

	31 Dec 2021	31 Dec 2020
	N'000	N'000
Finance costs per income statement	1,252,779	2,757,223
Interest expense on employee benefits	(77,576)	(65,778)
Unrealised foreign exchange loss	(537,765)	(1,399,438)
	<u>637,438</u>	<u>1,292,007</u>

10. Profit before taxation

Profit before taxation is stated after charging:

	31 Dec 2021	31 Dec 2020
	N'000	N'000
Depreciation of property, plant and equipment (Note 13(a))	4,250,580	3,860,687
Depreciation of right-of-use assets (Note 22(a))	64,252	168,933
Disposal/Write-off of property plant and equipment (Note 13(c))	(634,429)	(248,303)
Amortisation of intangible assets (Note 14)	1,687	98,664
Personnel expenses (Note 11(a))	6,355,402	5,792,921
Gain on disposal of property, plant and equipment (Note 13(c))	(791,430)	(359,018)
Rental expenses	355,801	112,677
Royalty and technical service fees	676,958	380,771
	<u>6,355,402</u>	<u>5,792,921</u>

11. Personnel expenses

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

	31 Dec 2021	31 Dec 2020
	N'000	N'000
Salaries, wages and allowances	5,646,284	5,165,078
Contributions to defined contribution plans	512,689	504,381
Share-based payments expense	98,965	53,707
Other long term employee benefits	58,632	64,799
Termination cost/(credit) arising from restructuring	38,832	4,956
Total personnel expenses	<u>6,355,402</u>	<u>5,792,921</u>

12. Taxation

a. Amounts recognised in income statement

	31 Dec 2021	31 Dec 2020
	N'000	N'000
Current tax expense:		
Income tax	3,891,548	388,082
Tertiary education tax	259,436	25,872
	<u>4,150,984</u>	<u>413,954</u>

b. Movement in current tax liabilities

	31 Dec 2021	30 Jun 2021
	N'000	N'000
Balance at 1 July	992,986	744,204
Payments during the period/year	(642,324)	(1,897,631)
Charge for the period/year	4,150,984	2,146,413
Charge on prior years' Tax Audits	—	—
Withholding tax credit notes utilised	—	—
Balance at the end of period/year	<u>4,501,646</u>	<u>992,986</u>

13. Property, plant and equipment (PPE)

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

	Leasehold land	Buildings	Plant and machinery	Furniture and equipment	Motor vehicles	Returnable packaging materials	Capital work- in-progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost								
At 1 July 2020	828,428	20,668,652	98,817,869	491,326	7,658,353	32,930,633	5,878,167	167,273,428
Reclassification from intangibles	—	—	556,862	(50,868)	—	—	—	505,994
Additions	7,500,000	47,211	1,282,640	—	2,071,256	1,460,886	1,959,484	14,321,477
Transfers	—	263,784	3,243,726	—	—	84,675	(3,592,185)	—
Write-offs	—	—	(2,657,875)	(1,995)	(6,713)	(2,521,470)	2,039	(5,186,014)
Disposal	—	—	(1,158,345)	(46,118)	(290,932)	(2,686,352)	—	(4,181,747)
At 30 June 2021	8,328,428	20,979,647	100,084,877	392,345	9,431,964	29,268,372	4,247,505	172,733,138
At 1 July 2021	8,328,428	20,979,647	100,084,877	392,345	9,431,964	29,268,372	4,247,505	172,733,138
Additions	—	989	242,314	—	61,500	1,655,074	4,220,665	6,180,542
Write-offs	—	—	(1,002,672)	(4,520)	(695,740)	(366,069)	(61)	(2,069,062)
Transfer	—	86	263,327	—	—	17,818	(281,231)	—
At 31 December 2021	8,328,428	20,980,722	99,587,846	387,825	8,797,724	30,575,195	8,186,878	176,844,618
Depreciation and impairment								
At 1 July 2020	144,120	4,099,911	42,616,147	489,009	6,042,455	24,962,742	—	78,354,384
Reclassification from intangibles	—	—	352,089	(50,745)	—	—	—	301,344
Charge for the year	—	495,039	4,752,278	947	600,946	2,274,754	—	8,123,964
Write-offs	—	—	(3,080,092)	(1,995)	(6,494)	(1,564,036)	—	(4,652,617)
Impairment loss	—	—	—	—	—	—	—	—
Disposals	—	—	(1,074,557)	(46,096)	(288,059)	(2,222,112)	—	(3,630,824)
At 30 June 2021	144,120	4,594,950	43,565,865	391,120	6,348,848	23,451,348	—	78,496,251
At 1 July 2021	144,120	4,594,949	43,565,865	391,120	6,348,848	23,451,348	—	78,496,250
Charge for the year	—	261,555	2,600,096	339	495,760	892,830	—	4,250,580
Disposals/write-offs	—	—	(534,416)	(4,520)	(695,740)	(199,957)	—	(1,434,633)
At 31 December 2021	144,120	4,856,504	45,631,545	386,939	6,148,868	24,144,221	—	81,312,197
Carrying amount								
At 30 June 2021	8,184,308	16,384,697	56,519,012	1,225	3,083,116	5,817,024	4,247,505	94,236,887
At 31 December 2021	8,184,308	16,124,218	53,956,301	886	2,648,856	6,430,974	8,186,878	95,532,421

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

	31 Dec 2021	31 Dec 2020
	N'000	N'000
Additions during the year (Note 13(a))	6,180,542	2,153,337
Payments on prior year accruals for additions	461,561	524,329
Accruals on current year acquisitions	(2,696,158)	(1,389,490)
	<u>3,945,945</u>	<u>1,288,176</u>

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

	31 Dec 2021	31 Dec 2020
	N'000	N'000
Cost of Property, plant and equipment written off	2,069,062	3,421,861
Accumulated depreciation on Property, plant and equipment written off	(1,434,633)	(3,173,558)
Carrying amount of Property, plant and equipment written off	634,429	248,303
Proceeds from disposal of property, plant and equipment	(791,430)	—
	<u>(157,001)</u>	<u>248,303</u>
Analysed as:		
Carrying amount of property, plant and equipment written off	634,429	248,303
Gain on disposal of property, plant and equipment	(791,430)	—
	<u>(157,001)</u>	<u>248,303</u>

14. Intangible assets

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

	Distribution right	Concession right	Computer software	Total
	N'000	N'000	N'000	N'000
Cost				
Balance at 1 July 2020	995,250	485,611	2,324,309	3,805,170
Reclassification to Property, plant and equipment	—	(485,611)	(20,383)	(505,994)
Disposals	—	—	(1,588)	(1,588)
Balance at 30 June 2021	995,250	—	2,302,338	3,297,588
Balance at 1 July 2021	995,250	—	2,302,338	3,297,588
Additions	—	—	—	—
Disposals	—	—	—	—
Write-offs	—	—	(2,069,507)	(2,069,507)
Balance at 31 December 2021	995,250	—	232,831	1,228,081
Amortisation				
Balance at 1 July 2020	895,725	302,830	2,297,503	3,496,058
Reclassification to Property, plant and equipment	—	(302,830)	1,486	(301,344)
Disposals	—	—	(1,588)	(1,588)
Charge for the year	99,525	—	2,845	102,370
Balance at 30 June 2021	995,250	—	2,300,246	3,295,496
Balance at 1 July 2021	995,250	—	2,300,247	3,295,497
Write-offs	—	—	(2,069,507)	(2,069,507)
Disposals	—	—	—	—
Charge for the year	—	—	1,687	1,687
Balance at 31 December 2021	995,250	—	232,427	1,227,677
Carrying amount				
At 30 June 2021	—	—	2,092	2,092
At 31 December 2021	—	—	404	404

15. Prepayments

Prepayments comprise:

	31 Dec 2021	30 Jun 2021
	N'000	N'000
Prepaid rent	87,541	84,638
Other prepaid expenses	427,584	320,302
	<u>515,125</u>	<u>404,940</u>

Prepayments is analysed into:

	N'000	N'000
Non-current	—	—
Current	515,125	404,940
	<u>515,125</u>	<u>404,940</u>

Other prepaid expenses relate to housing and education subsidies and leave allowance, car-cash allowance and payment made in advance for purchase of raw materials.

16. Inventories

Inventories comprise:

	31 Dec 2021	30 Jun 2021
	N'000	N'000
Finished products	7,712,165	8,125,198
Products in process	1,756,144	1,493,498
Raw materials and packaging materials	7,951,814	4,762,042
Engineering spares	9,352,355	2,195,531
Inventories in transit	402,933	4,884,236
	<u>27,175,411</u>	<u>21,460,505</u>

17. Trade and other receivables

a. Trade and other receivables comprise:

Financial assets:

	31 Dec 2021	30 Jun 2021
	N'000	N'000
Trade receivables	12,967,120	9,105,431
Other receivables	260,513	429,604
Amounts due from related parties	1,101,376	3,292,073
Total financial assets	<u>14,329,009</u>	<u>12,827,108</u>

Non-financial assets:

Other receivables - current	431,097	1,192,277
Total trade and other trade receivables	<u>14,760,106</u>	<u>14,019,386</u>

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

	31 Dec 2021	30 Jun 2021
	N'000	N'000
Change in current trade and other receivables	740,721	(10,422,138)
Unrealised exchange gain	(206,316)	(277,075)
Withholding tax credit notes applied on income tax settlement	—	—
Impairment loss on (non-financial) other receivables	—	503,246
Impairment loss on (financial) trade and other receivables	(18,823)	184,595
Derecognition to contingent asset	—	—
Deposit refund from Registrar	(17,937)	—
	<u>497,645</u>	<u>(10,011,372)</u>

18. Cash and cash equivalents

a. Restricted cash:

	31 Dec 2021	30 Jun 2021
	N'000	N'000
Restricted cash	<u>2,076,760</u>	<u>2,981,881</u>

b. Cash and cash equivalents:

	31 Dec 2021	30 Jun 2021
	N'000	N'000
Bank balances	36,290,360	30,839,748
Short-term deposits	22,943,217	5,029,086
Cash and cash equivalents	<u>59,233,577</u>	<u>35,868,834</u>
Bank overdrafts	—	—
Cash and cash equivalents in the statement of cash flows	<u>59,233,577</u>	<u>35,868,834</u>

19. Share capital and reserves

- a. Authorised ordinary shares of 50k each

in thousand of shares

	31 Dec 2021	30 Jun 2021
At the end of period/year	2,500,000	2,500,000

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

in thousand of shares

	31 Dec 2021	30 Jun 2021
At the end of period/year	2,190,383	2,190,383

- c. Share premium

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

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

- d. Share-based payment reserve

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

20. Dividends

Dividend payable:

	31 Dec 2021	30 Jun 2021
	N'000	N'000
At 1 July	3,122,693	3,134,594
Declared dividend	422,942	—
Unclaimed dividend transferred to retained earnings	(905,121)	—
Receivable from registrar	(50,150)	171,331
Payments during the period/year:		
Paid by the registrar	—	(183,232)
Restricted cash	—	—
Cash and cash equivalents	(422,942)	—
At the end of period/year	<u>2,167,422</u>	<u>3,122,693</u>
	31 Dec 2021	30 Jun 2021
Dividend payable is represented by	N'000	N'000
Restricted cash	2,076,760	2,981,881
Balance with Registrar	90,662	140,812
At the end of period/year	<u>2,167,422</u>	<u>3,122,693</u>

21. Loans and borrowings

a. Loans and borrowings comprise:

	31 Dec 2021	30 Jun 2021
	N'000	N'000
Related party loans	9,409,549	9,214,452
Commercial papers	—	—
Letters of credit	15,813,927	6,778,691
Short term loan	—	—
Total loans and borrowings	<u>25,223,476</u>	<u>15,993,143</u>

The total loans and borrowings is classified as follows:

	31 Dec 2021	30 Jun 2021
	N'000	N'000
<i>Current liabilities</i>		
Related party loans	9,409,549	9,214,452
Letters of credit loans	15,813,927	6,778,691
Total current loans and borrowings	<u>25,223,476</u>	<u>15,993,143</u>
Total loans and borrowings	<u>25,223,476</u>	<u>15,993,143</u>

b. Movement in loans and borrowings:

	31 Dec 2021	30 Jun 2021
	N'000	N'000
At 1 July	15,993,143	22,800,994
Proceeds from loans and borrowings obtained during the year	15,720,826	16,311,020
Finance cost:		
- Interest expense	275,909	1,404,421
Exchange difference on foreign currency loan	626,321	527,980
Interest paid	(285,715)	(1,303,283)
Loans repaid during the year	(7,107,008)	(23,747,989)
At the end of period/year	<u>25,223,476</u>	<u>15,993,143</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 2020	1,224,193	1,224,193
Remeasurement of Right-of-use assets	(153,078)	(153,078)
Write-off	(204,455)	(204,455)
At 30 June 2021	<u>866,660</u>	<u>866,660</u>
At 1 July 2021	866,660	866,660
Remeasurement of Right-of-use assets	42,346	42,346
Additions	—	—
Write-off	(99,665)	(99,665)
At 31 December 2021	<u>809,341</u>	<u>809,341</u>
Accumulated depreciation		
At 1 July 2020	280,981	280,981
Depreciation charge	358,133	358,133
Write-off	(204,455)	(204,455)
At 30 June 2021	<u>434,659</u>	<u>434,659</u>
At 1 July 2021	434,659	434,659
Depreciation charge	64,252	64,252
Write-off	(99,665)	(99,665)
At 31 December 2021	<u>399,246</u>	<u>399,246</u>
Net book value at 30 June 2021	432,001	432,001
Net book value at 31 December 2021	<u>410,095</u>	<u>410,095</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 2020	824,186
Additions	—
Remeasurement	(153,078)
Interest impact on remeasurement of lease liability	(73,769)
Interest expense on leases	34,700
Repayment of lease liabilities:	
- Repayment of the principal portion of the lease liabilities	(119,639)
- Interest paid on lease liabilities	(34,700)
At 30 June 2021	<u>477,700</u>
At 1 July 2021	477,700
Additions	—
Remeasurement	42,346
Interest impact on remeasurement of lease liability	(41,520)
Interest expense on leases	33,788
Payment of lease liabilities:	
- Repayment of the principal portion of the lease liabilities	(294,398)
- Interest paid on lease liabilities	(33,788)
At 31 December 2021	<u>184,128</u>
Presented as:	
Current	43
Non-current	184,085
At 31 December 2021	<u>184,128</u>

23. Trade and other payables

Trade and other payables comprise:

	31 Dec 2021	30 Jun 2021
	N'000	N'000
Financial liabilities:		
Trade payables	38,279,303	32,424,458
Other payables and accrued expenses	15,266,196	12,445,108
Amount due to related parties	15,377,274	15,393,734
Total financial liabilities	<u>68,922,773</u>	<u>60,263,300</u>
Non-financial liabilities:		
Other payables and accrued expenses	2,253,927	1,412,234
Total non-financial liabilities	<u>2,253,927</u>	<u>1,412,234</u>
Total trade and other payables	<u>71,176,700</u>	<u>61,675,534</u>

24. Events after the reporting date

There are no significant subsequent events, which could have had a material effect on the financial statements of the Company as at 31 December 2021 that have not been adequately provided for or disclosed in the financial statements.

Shareholding Structure/Free Float Status

Description	31-Dec-21	
	Unit	Percentage
Issued Share Capital	2,190,382,819	100%
Substantial Shareholdings (5% and above)		
Guinness Overseas Limited	1,099,230,804	50.18%
Atalantaf Limited	171,712,564	7.84%
Total Substantial Shareholdings	1,270,943,368	58.02%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests		
B.A. Savage (direct)	0	0.00%
B. J. Rewane (direct)	0	0.00%
M.O. Ayeni (direct)	75,000	0.00%
Total Directors' Shareholdings	75,000	0.00%
Other Influential Shareholdings		
Stanbic IBTC Nominees Limited	119,250,813	5.44%
Mutima Opportunity Fund	112,502,111	5.14%
Total Other Influential Shareholdings	231,752,924	10.58%
Free Float in Units and Percentage	687,611,527	31.39%
Free Float in Value	₦ 26,816,849,553.00	

Declaration:

- (A) Guinness Nigeria Plc with a free float percentage of 31.39% as at 31 December 2021, is compliant with The Exchange's free float requirements for companies listed on the Main Board.
- (B) Guinness Nigeria Plc with a free float value of N26,816,849,553.00 as at 31 December 2021, is compliant with The Exchange's free float requirements for companies listed on the Main Board.