



**Nigerian Breweries Plc**

RC: 613

**Unaudited Condensed Interim Financial Statements  
For the Three Months Ended 31<sup>st</sup> March 2019**

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**CONDENSED INTERIM INCOME STATEMENT**

		<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>	<b>31<sup>st</sup> March 2018</b>
		<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
	<b>Notes</b>	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>
Revenue		91,387,689	91,387,689	88,445,527	88,445,527
Excise duty expense		(8,110,050)	(8,110,050)	(5,479,076)	(5,479,076)
<b>Net Revenue</b>		<b>83,277,639</b>	<b>83,277,639</b>	<b>82,966,451</b>	<b>82,966,451</b>
Cost of Sales	5	(48,223,202)	(48,223,202)	(44,948,414)	(44,948,414)
<b>Gross Profit</b>		<b>35,054,437</b>	<b>35,054,437</b>	<b>38,018,037</b>	<b>38,018,037</b>
Other Income		157,096	157,096	218,133	218,133
Marketing and Distribution Expenses	5	(16,554,842)	(16,554,842)	(15,341,093)	(15,341,093)
Administrative Expenses	5	(4,599,537)	(4,598,037)	(5,231,145)	(5,229,645)
<b>Results from operating activities</b>		<b>14,057,154</b>	<b>14,058,654</b>	<b>17,663,932</b>	<b>17,665,432</b>
Finance income	6a	9,432	9,432	37,830	37,830
Finance costs	6b	(2,608,640)	(2,625,755)	(2,452,718)	(2,468,356)
<b>Net Finance costs</b>		<b>(2,599,208)</b>	<b>(2,616,323)</b>	<b>(2,414,888)</b>	<b>(2,430,526)</b>
Profit before tax		11,457,946	11,442,331	15,249,044	15,234,906
Income tax expenses	7	(3,432,313)	(3,426,916)	(5,045,153)	(5,036,359)
<b>Profit after tax</b>		<b>8,025,633</b>	<b>8,015,415</b>	<b>10,203,319</b>	<b>10,198,547</b>
Profit for the year attributable to:					
Owners of the Company		8,024,540	8,015,415	10,203,319	10,198,547
Non-controlling interest		1,093	-	572	-
<b>Profit for the period</b>		<b>8,025,633</b>	<b>8,015,415</b>	<b>10,203,891</b>	<b>10,198,547</b>
Earnings per share					
Basic Earnings per share (kobo)		100	100	128	128
Diluted earnings per share (kobo)		100	100	128	128

The notes on pages 10 to 13 are an integral part of these interim financial statements

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME**

	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2019</b>	<b>31<sup>st</sup> March 2018</b>	<b>31<sup>st</sup> March 2018</b>
	<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
<b>Notes</b>	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>
<b>Profit for the period</b>	<b>8,025,633</b>	<b>8,015,415</b>	<b>10,203,891</b>	<b>10,198,547</b>
Other comprehensive income, net of tax				
Total comprehensive income for the period	<b>8,025,633</b>	<b>8,015,415</b>	<b>10,203,891</b>	<b>10,198,547</b>
<b>Total comprehensive income for the year attributable to:</b>				
Owners of the Company	8,024,540	8,015,415	10,203,319	10,198,547
Total comprehensive income for the period	<b>8,025,633</b>	<b>8,015,415</b>	<b>10,203,891</b>	<b>10,198,547</b>

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**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**

	Notes	31 <sup>st</sup> March 2019		31 <sup>st</sup> December 2018	
		Group ₦'000	Company ₦'000	Group ₦'000	Company ₦'000
<b>ASSETS</b>					
Property, plant and equipment	8	194,051,118	193,877,368	203,492,850	203,317,850
Intangible assets and goodwill		96,803,952	96,803,952	97,135,708	97,135,708
Leased Assets	9	9,261,160	9,261,160	-	-
Investments		160,000	839,625	150,000	829,625
Other receivables		604,119	604,119	662,022	662,022
Prepayments		-	-	538,187	538,187
<b>Non-current assets</b>		<b>300,880,349</b>	<b>301,386,224</b>	<b>301,978,767</b>	<b>302,483,392</b>
Inventories		34,818,120	34,818,120	32,506,824	32,506,824
Trade and other receivables		35,319,731	35,319,731	35,153,451	35,153,451
Prepayments		1,879,640	1,879,640	1,356,282	1,356,282
Deposit for imports		949,563	949,563	2,474,279	2,474,279
Cash and cash equivalents		14,232,470	14,232,470	14,793,266	14,792,088
<b>Current assets</b>		<b>87,200,702</b>	<b>87,199,524</b>	<b>86,284,102</b>	<b>86,282,924</b>
<b>Total assets</b>		<b>388,081,051</b>	<b>388,585,748</b>	<b>388,262,869</b>	<b>388,766,316</b>

The notes on pages 10 to 13 are an integral part of these interim financial statements

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (Cont'd)**

	Notes	31 <sup>st</sup> March 2019		31 <sup>st</sup> December 2018	
		Group	Company	Group	Company
		₦'000	₦'000	₦'000	₦'000
<b>EQUITY</b>					
Share capital		3,998,451	3,998,451	3,998,451	3,998,451
Share premium		73,770,356	73,770,356	73,770,356	73,770,356
Share based payment reserve		816,534	816,534	750,534	750,534
Retained earnings		96,241,214	96,140,258	88,216,674	88,124,843
<b>Equity attributable to owners of the company</b>		<b>174,826,555</b>	<b>174,725,599</b>	<b>166,736,015</b>	<b>166,644,184</b>
<b>Non-controlling interest</b>	11	<b>93,530</b>	<b>-</b>	<b>92,437</b>	<b>-</b>
<b>Total Equity</b>		<b>174,920,085</b>	<b>174,725,599</b>	<b>166,828,452</b>	<b>166,644,184</b>
<b>LIABILITIES</b>					
Loans and borrowings		44,301,357	44,301,357	41,127,565	41,127,565
Employee benefits		16,243,620	16,243,620	16,056,953	16,056,953
Deferred tax liabilities		22,834,506	22,834,506	24,554,471	24,554,471
Lease Liability		76,930	76,930	-	-
<b>Non-current liabilities</b>		<b>83,456,413</b>	<b>83,456,413</b>	<b>81,738,989</b>	<b>81,738,989</b>
Bank overdraft and Commercial Papers		504,442	504,442	1,469,810	1,469,810
Current tax liabilities		19,731,297	19,684,342	14,579,020	14,537,462
Dividend payable		6,089,068	6,089,068	7,931,759	7,931,759
Trade and other payables		101,819,514	102,565,652	114,151,861	114,881,134
Provisions		1,537,547	1,537,547	1,562,978	1,562,978
Lease Liability		22,685	22,685	-	-
<b>Current liabilities</b>		<b>129,704,553</b>	<b>130,403,736</b>	<b>139,695,428</b>	<b>140,383,143</b>
<b>Total liabilities</b>		<b>213,160,966</b>	<b>213,860,149</b>	<b>221,434,417</b>	<b>222,122,132</b>
<b>Total equity and liabilities</b>		<b>388,081,051</b>	<b>388,585,748</b>	<b>388,262,869</b>	<b>388,766,316</b>

Approved by the Board of Directors on 24<sup>th</sup> April 2019 and signed on its behalf by:

**Mr. Jordi Borrut Bel**  
**Managing Director/CEO**  
**FRC/2018/IODN/00000018359**

**Mr. Rob Kleinjan**  
**Finance Director**  
**FRC/2019/ANAN/00000019433**

The notes on pages 10 to 13 are an integral part of these interim financial statements

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**

**Group**

	Share Capital	Share Premium	Share Based Payment Reserve	Retained Earnings	Total	Non- Controlling Interest	Total Equity
Notes	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 <sup>st</sup> January 2019	3,998,451	73,770,356	750,534	88,216,674	166,736,015	92,437	166,828,452
Profit for the year	-	-	-	8,024,540	8,024,540	1,093	8,025,633
Other comprehensive income for the year	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	8,024,541	23,749,044	1,093	8,025,634
<b>Transaction with owners, recorded directly in equity</b>							
<b><i>Contributions and distributions</i></b>							
Issue of ordinary shares	-	-	-	-	-	-	-
Share based payment charge	-	-	66,000	-	66,000	-	66,000
Share based payment recharge	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Unclaimed dividends written back	-	-	-	-	-	-	-
<b>Total contributions and distributions</b>	-	-	66,000	-	66,000	-	66,000
<b>Changes in ownership interest</b>							
<b>Total transactions with owners of the company</b>	-	-	66,000	-	66,000	-	66,000
<b>Balance as at 31<sup>st</sup> March, 2019</b>	<b>3,998,451</b>	<b>73,770,356</b>	<b>816,534</b>	<b>96,241,214</b>	<b>190,551,059</b>	<b>93,530</b>	<b>174,920,085</b>

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**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**

**Company**

	Share Capital	Share Premium	Share Based Payment Reserve	Retained Earnings	Total Equity
Notes	N'000	N'000	N'000	N'000	N'000
Balance at 1 <sup>st</sup> January 2019	<b>3,998,451</b>	<b>73,770,356</b>	<b>750,534</b>	<b>88,124,843</b>	<b>166,644,184</b>
Profit for the year	-	-	-	8,015,415	8,015,415
Other comprehensive income for the year	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	<b>8,015,415</b>	<b>8,015,415</b>
<b>Transaction with owners, recorded directly in equity</b>					
<b>Contributions and distributions</b>					
Issue of ordinary shares	-	-	-	-	-
Share based payment charge	-	-	66,000	-	66,000
Share based payment recharge	-	-	-	-	-
Dividends	-	-	-	-	-
Unclaimed dividends written back	-	-	-	-	-
<b>Total contributions and distributions</b>	-	-	<b>66,000</b>	-	<b>66,000</b>
<b>Changes in ownership interest</b>					
<b>Total transactions with owners of the company</b>	-	-	<b>66,000</b>	-	<b>66,000</b>
<b>Balance as at 31<sup>st</sup> March, 2019</b>	<b>3,998,451</b>	<b>73,770,356</b>	<b>816,534</b>	<b>96,140,258</b>	<b>174,725,599</b>

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**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Cont'd)**

**Group**

	Share Capital	Share Premium	Share Based Payment Reserve	Retained Earnings	Total	Non- Controlling Interest	Total Equity
Notes	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 <sup>st</sup> January 2018	3,998,451	73,770,356	748,450	99,692,668	178,209,925	88,502	178,298,427
Profit for the year	-	-	-	10,203,319	10,203,319	572	10,203,891
Other comprehensive income for the year	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	<b>10,203,319</b>	<b>10,203,319</b>	<b>572</b>	<b>10,203,891</b>
<b>Transaction with owners, recorded directly in equity</b>							
<i>Contributions and distributions</i>							
Issue of ordinary shares	-	-	-	-	-	-	-
Share based payment charge	-	-	173,526	-	173,526	-	173,526
Share based payment recharge	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Unclaimed dividends written back	-	-	-	-	-	-	-
<b>Total contributions and distributions</b>	-	-	<b>173,526</b>	-	<b>173,526</b>	-	<b>173,526</b>
<b>Changes in ownership interest</b>							
<b>Total transactions with owners of the company</b>	-	-	<b>173,526</b>	<b>10,203,319</b>	<b>10,376,845</b>	<b>572</b>	<b>10,377,417</b>
<b>Balance as at 31<sup>st</sup> March, 2018</b>	<b>3,998,451</b>	<b>73,770,356</b>	<b>921,976</b>	<b>109,895,987</b>	<b>188,586,770</b>	<b>89,074</b>	<b>188,675,844</b>

The notes on pages 10 to 13 are an integral part of these interim financial statements

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Cont'd)**

**Company**

	Share Capital	Share Premium	Share Based Payment Reserve	Retained Earnings	Total Equity
Notes	₦'000	₦'000	₦'000	₦'000	₦'000
Balance at 1 <sup>st</sup> January 2018	<b>3,998,451</b>	<b>73,770,356</b>	<b>748,450</b>	<b>99,633,677</b>	<b>178,150,934</b>
Profit for the year	-	-	-	10,198,547	10,198,547
Other comprehensive income for the year	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	<b>10,198,547</b>	<b>10,198,547</b>
<b>Transaction with owners, recorded directly in equity</b>					
<b><i>Contributions and distributions</i></b>					
Issue of ordinary shares	-	-	-	-	-
Share based payment charge	-	-	173,526	-	173,526
Share based payment recharge	-	-	-	-	-
Dividends	-	-	-	-	-
Unclaimed dividends written back	-	-	-	-	-
<b>Total contributions and distributions</b>	-	-	<b>173,526</b>	-	<b>173,526</b>
<b>Changes in ownership interest</b>					
<b>Total transactions with owners of the company</b>	-	-	<b>173,526</b>	<b>10,198,547</b>	<b>10,372,073</b>
<b>Balance as at 31<sup>st</sup> March, 2018</b>	<b>3,998,451</b>	<b>73,770,356</b>	<b>921,976</b>	<b>109,832,224</b>	<b>188,523,007</b>

The notes on pages 10 to 13 are an integral part of these interim financial statements

**CONDENSED INTERIM STATEMENT OF CASH FLOWS**

Notes	Group 2019 N'000	Company 2019 N'000	Group 2018 N'000	Company 2018 N'000
Profit for the year	8,025,633	8,015,415	10,203,891	10,198,547
Adjustments for:				
Depreciation	7,623,262	7,622,012	7,221,854	7,220,604
Amortization of intangible assets	331,755	331,755	357,987	357,987
Finance income	(9,432)	(9,432)	(37,830)	(37,830)
Interest expenses	1,621,162	1,638,277	903,896	919,534
Gratuity, employee benefit and share based payment charges	685,110	685,110	698,820	698,820
Loss/(Gain) on sale of property, plant and equipment	12,537	12,537	34,073	34,073
Income tax expense	3,432,313	3,426,915	5,044,984	5,036,189
	<b>21,722,340</b>	<b>21,722,589</b>	<b>24,427,675</b>	<b>24,427,924</b>
Changes in:				
Inventories	(2,311,296)	(2,311,296)	3,751,526	3,751,526
Trade and other receivables	(815,992)	(815,992)	(11,442,620)	(11,442,620)
Prepayments	14,829	14,829	(1,422,570)	(1,422,570)
Trade and other payables	(9,169,340)	(9,152,474)	(18,138,605)	(18,160,087)
Provisions	(25,432)	(25,432)	-	-
Deposit for imports	2,232,331	2,232,331	(203,225)	(203,225)
Lease Liability	99,615.00	99,615.00	-	-
<b>Cash generated from operating activities</b>	<b>11,747,056</b>	<b>11,764,171</b>	<b>(3,027,819)</b>	<b>(3,049,052)</b>
Income tax paid	-	-	(36,871)	-
Gratuity paid	(169,947)	(169,947)	(50,668)	(50,668)
Other long term employee benefits paid	(262,496)	(262,496)	(296,378)	(296,378)
VAT paid*	(3,980,690)	(3,980,690)	(3,660,063)	(3,660,063)
<b>Net cash from operating activities</b>	<b>7,333,923</b>	<b>7,351,038</b>	<b>(7,071,799)</b>	<b>(7,056,161)</b>
<b>Cash flows from investing activities</b>				
Finance income	9,432	9,432	37,830	37,830
Proceeds from sale of property, plant and equipment	4,047	4,047	20,622	20,622
Investment in Subsidiary	(10,000)	(10,000)	-	-
Acquisition of property, plant and equipment	(7,459,273)	(7,459,273)	(6,696,214)	(6,696,214)
Acquisition of intangible assets	-	-	-	-
<b>Net cash used in investing activities</b>	<b>(7,455,794)</b>	<b>(7,455,794)</b>	<b>(6,637,762)</b>	<b>(6,637,762)</b>
<b>Cash flows from financing activities</b>				
Proceeds from loans and borrowings	29,000,000	29,000,000	18,000,000	18,000,000
Repayment of loans and borrowings	(25,826,208)	(25,826,208)	(14,859,578)	(14,859,578)
Interest paid	(803,640)	(820,755)	(437,081)	(452,719)
Dividends paid	(1,842,691)	(1,842,691)	(670,986)	(670,986)
<b>Net cash used in financing activities</b>	<b>527,621</b>	<b>510,506</b>	<b>2,032,355</b>	<b>2,016,717</b>
Net increase/(decrease) in cash and cash equivalents	<b>405,750</b>	<b>405,750</b>	<b>(11,677,206)</b>	<b>(11,677,206)</b>
Cash and cash equivalents at 1 <sup>st</sup> January	<b>13,323,456</b>	<b>13,322,278</b>	15,396,024	15,394,846
<b>Cash and cash equivalents at 31<sup>st</sup> March</b>	<b>13,729,206</b>	<b>13,728,028</b>	<b>3,718,818</b>	<b>3,717,640</b>
Represented by:				
Cash balance	14,233,648	14,232,470	21,714,326	21,713,148
Bank Overdraft and Commercial Papers	(504,442)	(504,442)	(17,995,508)	(17,995,508)
	<b>13,729,206</b>	<b>13,728,028</b>	<b>3,718,818</b>	<b>3,717,640</b>

The notes on pages 10 to 13 are an integral part of these interim financial statements.

\* Value Added Tax (VAT) paid shown separately above has been adjusted for in deriving the change in trade and other payables.

## **NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

### **1. Reporting entity**

Nigerian Breweries Plc, a public Company quoted on The Nigerian Stock Exchange, was incorporated in Nigeria on the 16th November 1946, under the name, Nigerian Brewery Limited. The name was changed on 7th January 1957, to Nigerian Breweries Limited and thereafter to Nigerian Breweries Plc in 1990 when the Companies and Allied Matters Act of that year came into effect. The Company is a subsidiary of Heineken N.V. a company domiciled in the Netherlands, the latter having approximately 56% interest in the equity of Nigerian Breweries Plc. The address of the Company's registered office is 1, Abebe Village Road, Iganmu, Lagos. The condensed interim financial statements of the Company as at and for the three-months period ended 31<sup>st</sup> March 2019 comprise the Company and its subsidiaries.

The financial statements of Nigerian Breweries Plc as at and for the year ended 31<sup>st</sup> December 2018 are available on the Company's registered website:

[www.nbplc.com/investor-relations.html](http://www.nbplc.com/investor-relations.html)

### **2. Basis of preparation**

#### **a. Statement of compliance**

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) IAS 34 'Interim Financial Reporting'. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of Nigerian Breweries Plc as at and for the year ended 31<sup>st</sup> December 2018.

#### **b. Functional and presentation currency**

These condensed interim financial statement are presented in Naira, which is the Company's functional currency. All financial information presented in Naira has been rounded to the nearest thousand unless stated otherwise.

#### **c. Use of estimates and judgements**

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

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31<sup>st</sup> December 2018.

### **3. Significant accounting policies**

#### **a. General**

The accounting policies applied in these condensed interim financial statements are the same as those applied in the Company's financial statements as at and for the year ended 31<sup>st</sup> December 2018.

#### **b. Income tax**

Income tax expenses are recognised based on management's best estimation of the weighted average expected full year income tax rate.

### **4. Seasonality**

The performance of the Company is subject to seasonal fluctuations as a result of weather conditions and festivities. The Company's full year results and volumes are dependent on the performance in the peak-selling season, typically resulting in higher revenue and profitability

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in the last quarter of the year. The impact from this seasonality is also noticeable in several working capital related items such as inventory, trade receivables and payables.

**5. Analysis of expenses by nature**

	<b>Group 2019 ₦'000</b>	<b>Company 2019 ₦'000</b>	<b>Group 2018 ₦'000</b>	<b>Company 2018 ₦'000</b>
Raw materials and consumables	30,842,182	30,842,182	28,383,913	28,383,913
Advertising and sales expenses	4,237,835	4,237,835	3,763,449	3,763,449
Depreciation	7,623,262	7,622,012	7,221,854	7,220,604
Amortization	331,755	331,755	357,987	357,987
Employee benefits	9,716,433	9,716,433	10,088,115	10,088,115
Distribution	7,569,650	7,569,650	6,951,569	6,951,569
Repairs and Maintenance	3,951,066	3,951,066	3,299,224	3,299,224
Royalty and technical service fees	2,120,422	2,120,422	2,083,225	2,083,225
Others	2,984,977	2,984,727	3,371,316	3,371,066
<b>Total cost of sales, marketing &amp; distribution and administration expenses</b>	<b>69,377,581</b>	<b>69,376,081</b>	<b>65,520,652</b>	<b>65,519,152</b>

**6. Interest income, interest expenses and other net finance expenses**

Net finance income and expenses for the three-month period ended 31<sup>st</sup> March 2019 amounted to ₦2.6 billion (Three-month period ended 31<sup>st</sup> March 2018: ₦2.4 billion).

**a. Finance income**

Interest income for the three-month period ended 31<sup>st</sup> March 2019 amounted to ₦9.4 million (Three-month period ended 31<sup>st</sup> March 2018: ₦38 million).

**b. Finance expense**

Interest expenses for the three-month period ended 31<sup>st</sup> March 2019 amounted to ₦1.6 billion (three-month ended 31<sup>st</sup> March 2018: ₦920 million).

Other net finance expenses for the three-months period ended 31<sup>st</sup> March 2019 amounted to ₦988 million (three-months ended 31<sup>st</sup> March 2018: ₦1.5 billion). The interest expenses on the net pension liability for the period ended 31<sup>st</sup> March 2019 amounted to ₦482 million (three-month period ended 31<sup>st</sup> March 2018: ₦459 million).

**7. Income tax expenses**

The Company's effective tax rate in respect of continuing operations for the three-months period ended 31<sup>st</sup> March 2019 was 32.2 per cent (for the three-months period ended 31<sup>st</sup> March 2018: 32.4 per cent).

**8. Property, plant and equipment**

**Acquisitions**

During the three-months period ended 31<sup>st</sup> March 2019 the Company acquired, plant and equipment with a cost of ₦7.5 billion (three-month period ended 31<sup>st</sup> March 2018: ₦6.7 billion).

**Capital commitments**

As at 31<sup>st</sup> March 2019, the Company's capital expenditure commitments for property, plant and equipment amounted to ₦33.4 billion (31<sup>st</sup> March 2018: ₦20.8 billion).

**9. Lease Asset**

IFRS 16 'Leases' has replaced previous guidance on leases, including IAS 17. The Company has implemented IFRS 16 per 1 January 2019 by applying the modified retrospective method, meaning that the 2018 comparative numbers in the 2019 financial statements are not restated. Under the new standard, lease contracts are recognised on the Company's balance sheet.

**10. Financial risk management and financial instruments**

The aspect of the Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 31<sup>st</sup> December 2018.

**11. Equity**

**Reserves**

The reserves consist of share premium, share-based payment reserve, equity contribution reserves and retained earnings.

**Weighted average number of shares (basic and diluted)**

For the three-months period ended 31<sup>st</sup> March  
In shares

	<b>2019</b>	<b>2018</b>
1 <sup>st</sup> January		
Weighted average number of shares	7,996,902,051	7,996,902,051
<hr/>		
31 <sup>st</sup> March		
Weighted average number of shares	7,996,902,051	7,996,902,051

**12. Net cash coverage / interest bearing debt position**

	<b>Group 31st March 2019 ₦'000</b>	<b>Company 31st March 2019 ₦'000</b>	<b>Group 31st December 2018 ₦'000</b>	<b>Company 31st December 2018 ₦'000</b>
Bank overdrafts	504,442	504,442	1,469,810	1,469,810
Commercial papers	-	-	-	-
Cash, cash equivalents and current	(14,233,648)	(14,232,470)	(14,793,266)	(14,792,088)
<b>(Net cash coverage position)/interest bearing debt position</b>	<b>(13,729,206)</b>	<b>(13,728,028)</b>	<b>(13,323,456)</b>	<b>(13,322,278)</b>

The company has revolving credit facilities with five Nigerian banks to finance its working capital. The approved limit of the loan with each of the banks range from ₦6 billion to ₦15 billion (total of ₦66 billion). ₦29 billion was utilized as at 31<sup>st</sup> March, 2019 (2018: ₦15 billion).

**13. Contingencies**

No material updates in comparison with 2018 year-end reporting were identified that need to be reported.

**14. Related party transactions**

The Company has related party relationships with its parent company, Heineken N.V. and Heineken group entities. These transactions are conducted on terms comparable to transactions with third parties. The related party transactions in the first three-month period ended 31<sup>st</sup> March 2019 do not, in substance deviate from the transactions as reflected in the financial statements as at and for the year 31<sup>st</sup> December 2018.

**15. Subsequent events**

There are no significant subsequent events, which could have had a material effect on the state of affairs of the Company as at 31<sup>st</sup> March 2019 that have not been adequately provided for or disclosed in these condensed interim financial statements.