

# **Nigerian Breweries Plc**



**Unaudited Condensed Interim Financial Statements  
For the six months ended 30th June, 2024**

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## Condensed interim income statement

	Notes	GROUP			
		Quarter to date 30 <sup>th</sup> June 2024	Year to date 30 <sup>th</sup> June 2024	Quarter to date 30 <sup>th</sup> June 2023	Year to date 30 <sup>th</sup> June 2023
		₦'000	₦'000	₦'000	₦'000
<b>Net Revenue</b>		<b>251,759,470</b>	<b>479,767,156</b>	<b>154,105,332</b>	<b>277,419,283</b>
Cost of Sales	6	(173,955,373)	(320,083,346)	(85,664,356)	(165,094,375)
<b>Gross Profit</b>		<b>77,804,097</b>	<b>159,683,810</b>	<b>68,440,976</b>	<b>112,324,908</b>
Other Income		2,074,076	2,695,254	997,755	1,353,982
Selling and Distribution Expenses	6	(52,110,720)	(97,123,283)	(34,761,933)	(68,459,080)
Administrative Expenses	6	(12,913,079)	(23,777,410)	(8,049,174)	(16,266,717)
Net (release)/charge of expected credit loss on financial assets		(1,979,878)	(3,338,738)	(133,015)	(574,649)
<b>Results from operating activities</b>		<b>12,874,496</b>	<b>38,139,633</b>	<b>26,494,609</b>	<b>28,378,444</b>
Finance income	7	190,801	332,472	145,694	185,566
Net loss on foreign exchange transactions	7b	(39,428,090)	(112,274,112)	(70,619,372)	(85,260,423)
Finance costs	7b	(24,397,493)	(42,538,498)	(6,428,313)	(11,148,029)
<b>Net Finance costs</b>		<b>(63,634,782)</b>	<b>(154,480,138)</b>	<b>(76,901,991)</b>	<b>(96,222,886)</b>
Profit/(loss) before tax		(50,760,286)	(116,340,505)	(50,407,382)	(67,844,442)
Income tax expenses	8	17,650,337	31,141,075	13,523,409	20,245,266
<b>Profit/(loss) after tax</b>		<b>(33,109,949)</b>	<b>(85,199,430)</b>	<b>(36,883,973)</b>	<b>(47,599,176)</b>
Profit/(Loss) for the year attributable to:					
Owners of the Company		(32,957,460)	(85,046,941)	(36,883,973)	(47,599,176)
Non-controlling interest		(152,489)	(152,489)	-	-
<b>Profit/(loss) for the period</b>		<b>(33,109,949)</b>	<b>(85,199,430)</b>	<b>(36,883,973)</b>	<b>(47,599,176)</b>
Earnings per share					
Basic Earnings per share (kobo)		(321)	(827)	(444)	(573)
Diluted earnings per share (kobo)		(321)	(827)	(444)	(573)

The notes on pages 11 to 15 are an integral part of these interim financial statements

## Condensed interim income statement

	Notes	COMPANY			
		Quarter to date	Year to date	Quarter to date	Year to date
		30 <sup>th</sup> June 2024	30 <sup>th</sup> June 2024	30 <sup>th</sup> June 2023	30 <sup>th</sup> June 2023
		₦'000	₦'000	₦'000	₦'000
<b>Net Revenue</b>		<b>251,734,891</b>	<b>478,836,541</b>	<b>154,067,058</b>	<b>277,338,304</b>
Cost of Sales	6	(173,955,373)	(319,195,987)	(85,664,356)	(165,094,375)
<b>Gross Profit</b>		<b>77,779,518</b>	<b>159,640,554</b>	<b>68,402,702</b>	<b>112,243,929</b>
Other Income		2,074,076	2,695,254	997,755	1,353,982
Selling and Distribution Expenses	6	(52,110,102)	(97,122,665)	(34,761,933)	(68,459,080)
Administrative Expenses	6	(12,844,236)	(23,577,830)	(7,887,877)	(15,928,796)
Net release of expected credit loss on financial assets		(1,979,878)	(3,338,738)	(133,015)	(574,649)
<b>Results from operating activities</b>		<b>12,919,378</b>	<b>38,296,575</b>	<b>26,617,632</b>	<b>28,635,386</b>
Finance income	7a	190,801	332,472	145,694	185,566
Net loss on foreign exchange transactions	7b	(38,757,124)	(111,603,146)	(70,619,372)	(85,260,423)
Finance costs	7b	(24,351,781)	(42,492,786)	(6,428,313)	(11,148,029)
<b>Net Finance costs</b>		<b>(62,918,104)</b>	<b>(153,763,460)</b>	<b>(76,901,991)</b>	<b>(96,222,886)</b>
Profit/(loss) before tax		(49,998,726)	(115,466,885)	(50,284,359)	(67,587,500)
Income tax expenses	8	17,651,224	31,142,656	13,523,409	20,245,266
<b>Profit/(loss) after tax</b>		<b>(32,347,502)</b>	<b>(84,324,229)</b>	<b>(36,760,950)</b>	<b>(47,342,234)</b>
Profit/(loss) for the year attributable to:					
Owners of the Company		(32,347,502)	(84,324,229)	(36,760,950)	(47,342,234)
Non-controlling interest		-	-	-	-
<b>Profit/(loss) for the period</b>		<b>(32,347,502)</b>	<b>(84,324,229)</b>	<b>(36,760,950)</b>	<b>(47,342,234)</b>
Earnings per share					
Basic Earnings per share (kobo)		(315)	(821)	(443)	(570)
Diluted earnings per share (kobo)		(315)	(821)	(443)	(570)

The notes on pages 11 to 15 are an integral part of these interim financial statements

**Condensed interim statement of other comprehensive income**

	<b>GROUP</b>			
	<b>Quarter to date</b>	<b>Year to date</b>	<b>Quarter to date</b>	<b>Year to date</b>
	<b>30<sup>th</sup> June 2024</b>	<b>30<sup>th</sup> June 2024</b>	<b>30<sup>th</sup> June 2023</b>	<b>30<sup>th</sup> June 2023</b>
<b>Notes</b>	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>	<b>₦'000</b>
<b>Profit/(loss) for the period</b>	<b>(32,957,460)</b>	<b>(85,046,941)</b>	<b>(36,883,973)</b>	<b>(47,599,176)</b>
Other comprehensive income, net of tax				
Total comprehensive income for the period	<b>(32,957,460)</b>	<b>(85,046,941)</b>	<b>(36,883,973)</b>	<b>(47,599,176)</b>
<b>Total comprehensive income for the year attributable to:</b>				
Owners of the Company	(32,957,460)	(85,046,941)	(36,883,973)	(47,599,176)
Non-controlling interest	(152,489)	(152,489)	-	-
Total comprehensive income for the period	<b>(33,109,949)</b>	<b>(85,199,430)</b>	<b>(36,883,973)</b>	<b>(47,599,176)</b>

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<b>COMPANY</b>				
Notes	Quarter to date 30 <sup>th</sup> June 2024 ₦'000	Year to date 30 <sup>th</sup> June 2024 ₦'000	Quarter to date 30 <sup>th</sup> June 2023 ₦'000	Year to date 30 <sup>th</sup> June 2023 ₦'000
<b>Profit/(loss) for the period</b>	<b>(32,347,502)</b>	<b>(84,324,229)</b>	<b>(36,760,950)</b>	<b>(47,342,234)</b>
Other comprehensive income, net of tax				
Total comprehensive income for the period	<b>(32,347,502)</b>	<b>(84,324,229)</b>	<b>(36,760,950)</b>	<b>(47,342,234)</b>
<b>Total comprehensive income for the year attributable to:</b>				
Owners of the Company	(32,347,502)	(84,324,229)	(36,760,950)	(47,342,234)
Total comprehensive income for the period	<b>(32,347,502)</b>	<b>(84,324,229)</b>	<b>(36,760,950)</b>	<b>(47,342,234)</b>

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## Condensed interim statement of financial position

As at:

		30 <sup>th</sup> June 2024	30 <sup>th</sup> June 2024	31st December 2023	31st December 2023
	Notes	Group N'000	Company N'000	Group N'000	Company N'000
<b>ASSETS</b>					
Property, plant and equipment	9	454,578,329	450,504,313	441,433,475	440,787,687
Right-of-use assets		9,130,808	9,113,739	8,945,331	8,929,494
Intangible assets and goodwill		103,055,347	93,123,672	91,913,959	91,913,959
Investments		150,000	4,334,986	150,000	250,000
Deferred tax Asset		57,261,138	57,261,138	23,710,466	23,710,466
Other receivables		3,396,761	3,396,761	2,152,592	2,152,592
<b>Non-current assets</b>		<b>627,572,383</b>	<b>617,734,609</b>	<b>568,305,823</b>	<b>567,744,198</b>
Inventories		134,102,349	132,617,989	122,035,547	121,872,794
Trade and other receivables		98,708,378	97,852,894	46,788,739	49,075,068
Prepayments		2,945,083	2,945,083	2,970,328	2,970,328
Deposit for imports		41,657,650	41,657,650	16,206,296	16,206,296
Cash and cash equivalents		43,576,005	43,113,116	39,566,373	39,458,309
<b>Current assets</b>		<b>320,989,465</b>	<b>318,186,732</b>	<b>227,567,283</b>	<b>229,582,795</b>
<b>Total assets</b>		<b>948,561,848</b>	<b>935,921,341</b>	<b>795,873,106</b>	<b>797,326,993</b>
<b>EQUITY</b>					
Share capital		5,138,066	5,138,066	5,138,066	5,138,066
Share premium		82,943,935	82,943,935	82,943,935	82,943,935
Share based payment reserve		1,147,322	1,147,322	1,469,827	1,469,827
Retained earnings		(111,314,392)	(108,707,445)	(26,267,451)	(24,383,216)
<b>Equity attributable to owners of the company</b>	11	<b>(22,085,069)</b>	<b>(19,478,122)</b>	<b>63,284,377</b>	<b>65,168,612</b>
<b>Non-controlling interest</b>		<b>868,758</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>		<b>(21,216,311)</b>	<b>(19,478,122)</b>	<b>63,284,377</b>	<b>65,168,612</b>
<b>LIABILITIES</b>					
Loans and borrowings		239,308,612	235,744,760	136,283,827	136,283,827
Lease liabilities		-	-	1,684	1,684
Employee benefits		12,604,174	12,354,174	11,837,931	11,837,931
Deferred tax liabilities		427,818	-	-	-
<b>Non-current liabilities</b>		<b>252,340,604</b>	<b>248,098,934</b>	<b>148,123,442</b>	<b>148,123,442</b>
Loans and borrowings		348,932,457	348,932,457	205,318,151	205,318,151
Lease liabilities		18,091	18,091	29,561	29,561
Current tax liabilities		8,319,960	7,621,413	6,716,463	6,713,397
Dividend payable		14,621,974	14,621,974	14,621,974	14,621,974
Trade and other payables		341,473,859	332,035,380	355,288,752	354,861,470
Provisions		4,071,214	4,071,214	2,490,386	2,490,386
<b>Current liabilities</b>		<b>717,437,555</b>	<b>707,300,529</b>	<b>584,465,287</b>	<b>584,034,939</b>
<b>Total liabilities</b>		<b>969,778,159</b>	<b>955,399,463</b>	<b>732,588,729</b>	<b>732,158,381</b>
<b>Total equity and liabilities</b>		<b>948,561,848</b>	<b>935,921,341</b>	<b>795,873,106</b>	<b>797,326,993</b>

Approved by the Board of Directors on 30<sup>th</sup> July, 2024 and signed on its behalf by:



Mr. Hans Essaadi  
Managing Director/CEO  
FRC/2022/PRO/DIR/003/195502



Mr. Bernardus A. Wessels Boer  
Finance Director  
FRC/2023/PRO/ANAN/001/417018

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Condensed interim statement of changes in equity

Group	Notes	Share Capital	Share Premium	Share Based Payment Reserve	Retained Earnings	Total	Non-Controlling Interest	Total Equity
		₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Balance as at 1 <sup>st</sup> January 2024		5,138,066	82,943,935	1,469,827	(26,267,451)	63,284,377	-	63,284,377
Loss for the year		-	-	-	(85,046,941)	(85,046,941)	(152,489)	(85,199,430)
Other comprehensive income for the year		-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		-	-	-	<b>(85,046,941)</b>	<b>(85,046,941)</b>	<b>(152,489)</b>	<b>(85,199,430)</b>
Transaction with owners, recorded directly in equity		-	-	-	-	-	-	-
<b>Contributions and distributions</b>								
Issue of ordinary shares		-	-	-	-	-	-	-
Share based payment charge		-	-	941,135	-	941,135	-	941,135
Share based payment recharge		-	-	(1,263,640)	-	(1,263,640)	-	(1,263,640)
Dividends		-	-	-	-	-	-	-
Unclaimed dividends written back		-	-	-	-	-	-	-
<b>Total contributions and distributions</b>		-	-	<b>(322,505)</b>	-	<b>(322,505)</b>	-	<b>(322,505)</b>
<b>Total transactions with owners of the company</b>		-	-	<b>(322,505)</b>	<b>(85,046,941)</b>	<b>(85,369,446)</b>	<b>(152,489)</b>	<b>(85,521,935)</b>
<b>Changes in ownership interest</b>							<b>1,021,247</b>	<b>1,021,247</b>
<b>Balance as at 30<sup>th</sup> June, 2024</b>		<b>5,138,066</b>	<b>82,943,935</b>	<b>1,147,322</b>	<b>(111,314,392)</b>	<b>(22,085,069)</b>	<b>868,758</b>	<b>(21,216,311)</b>

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**Condensed interim statement of changes in equity**

Company	Notes	Share Capital N'000	Share Premium N'000	Share Based Payment Reserve N'000	Retained Earnings N'000	Total Equity N'000
Balance as at 1 <sup>st</sup> January 2024		5,138,066	82,943,935	1,469,827	(24,383,216)	65,168,612
Loss for the year		-	-	-	(84,324,229)	(84,324,229)
Other comprehensive income for the year		-	-	-	-	-
<b>Total Comprehensive income for the year</b>		-	-	-	(84,324,229)	(84,324,229)
Transaction with owners, recorded directly in equity		-	-	-	-	-
<b>Contributions and distributions</b>						
Issue of ordinary shares		-	-	-	-	-
Share based payment charge		-	-	941,135	-	941,135
Share based payment recharge		-	-	(1,263,640)	-	(1,263,640)
Dividends		-	-	-	-	-
Unclaimed dividends written back		-	-	-	-	-
<b>Total contributions and distributions</b>		-	-	(322,505)	-	(322,505)
<b>Total transactions with owners of the company</b>		-	-	(322,505)	(84,324,229)	(84,646,734)
<b>Changes in ownership interest</b>						
<b>Balance as at 30<sup>th</sup> June, 2024</b>		5,138,066	82,943,935	1,147,322	(108,707,445)	(19,478,122)

The notes on pages 11 to 15 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	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Balance as at 1 <sup>st</sup> January 2023		5,138,066	82,943,935	944,383	90,773,894	179,800,278	113,437	179,913,715
Loss for the year		-	-	-	(47,599,176)	(47,599,176)	-	(47,599,176)
Other comprehensive income for the year		-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		-	-	-	<b>(47,599,176)</b>	<b>(47,599,176)</b>	-	<b>(47,599,176)</b>
Transaction with owners, recorded directly in equity		-	-	-	-	-	-	-
<b>Contributions and distributions</b>								
Issue of ordinary shares		-	-	-	-	-	-	-
Share based payment charge		-	-	339,446	-	339,446	-	339,446
Share based payment recharge		-	-	(230,662)	-	(230,662)	-	(230,662)
Dividends		-	-	-	(10,584,416)	(10,584,416)	-	(10,584,416)
Unclaimed dividends written back		-	-	-	-	-	-	-
<b>Total contributions and distributions</b>		-	-	<b>108,784</b>	<b>(10,584,416)</b>	<b>(10,475,633)</b>	-	<b>(10,475,633)</b>
<b>Changes in ownership interest</b>								
<b>Total transactions with owners of the company</b>		-	-	<b>108,784</b>	<b>(58,183,593)</b>	<b>(58,074,809)</b>	-	<b>(58,074,809)</b>
<b>Balance as at 30<sup>th</sup> June, 2023</b>		<b>5,138,066</b>	<b>82,943,935</b>	<b>1,053,167</b>	<b>32,590,301</b>	<b>121,725,469</b>	<b>113,437</b>	<b>121,838,906</b>

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Condensed interim statement of changes in equity

Company	Notes	Share Capital N'000	Share Premium N'000	Share Based Payment Reserve N'000	Retained Earnings N'000	Total Equity N'000
Balance as at 1 <sup>st</sup> January 2023		5,138,066	82,943,935	944,383	91,852,695	180,879,079
Loss for the year		-	-	-	(47,342,234)	(47,342,234)
Other comprehensive income for the year		-	-	-	-	-
<b>Total Comprehensive income for the year</b>		-	-	-	(47,342,234)	(47,342,234)
Transaction with owners, recorded directly in equity		-	-	-	-	-
<b>Contributions and distributions</b>						
Issue of ordinary shares		-	-	-	-	-
Share based payment charge		-	-	339,446	-	339,446
Share based payment recharge		-	-	(230,662)	-	(230,662)
Dividends		-	-	-	(10,584,416)	(10,584,416)
Unclaimed dividends written back		-	-	-	-	-
<b>Total contributions and distributions</b>		-	-	108,784	(10,584,416)	(10,475,632)
<b>Changes in ownership interest</b>						
<b>Total transactions with owners of the company</b>		-	-	108,784	(57,926,650)	(57,817,866)
<b>Balance as at 30<sup>th</sup> June, 2023</b>		<b>5,138,066</b>	<b>82,943,935</b>	<b>1,053,167</b>	<b>33,926,045</b>	<b>123,061,213</b>

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## Condensed interim statement of cash flows

	Notes	Group 2024 N'000	Company 2024 N'000	Group 2023 N'000	Company 2023 N'000
Profit for the year		(85,199,430)	(84,324,229)	(47,599,176)	(47,342,234)
Adjustments for:					
Depreciation		24,873,083	24,744,232	22,671,589	22,457,782
Amortization of intangible assets		812,319	811,981	816,048	816,048
Finance income		(332,472)	(332,472)	(185,566)	(185,566)
Interest expenses		42,538,498	42,492,786	11,148,029	11,148,029
Loss /(Gain) on foreign exchange transactions		70,902,404	70,717,508	-	-
Gratuity, employee benefit and share based payment charges		1,839,463	1,839,463	1,154,907	1,154,907
Loss/(Gain) on sale of property, plant and equipment		(1,363,552)	(1,363,552)	(70,492)	(70,492)
Changes in provisions		1,580,828	1,580,828	1,444,313	1,444,313
Income tax expense		(31,141,074)	(31,142,656)	(20,245,266)	(20,245,266)
		<b>24,510,067</b>	<b>25,023,889</b>	<b>(30,865,614)</b>	<b>(30,822,479)</b>
Changes in:					
Inventories		(11,095,065)	(10,745,195)	(8,444,159)	(8,420,959)
Trade and other receivables		(49,868,177)	(50,021,995)	(21,509,941)	(21,599,142)
Prepayments		25,245	25,245	(383,085)	(383,085)
Trade and other payables		(25,128,643)	(25,938,887)	(2,480,095)	(2,463,627)
Deposit for imports		(25,451,354)	(25,451,354)	(1,931,647)	(1,931,647)
<b>Cash generated from operating activities</b>		<b>(87,007,927)</b>	<b>(87,108,297)</b>	<b>(65,614,541)</b>	<b>(65,620,939)</b>
Income tax paid		(1,500,887)	(1,500,000)	(1,113)	(1,113)
Gratuity paid		(384,711)	(384,711)	(340,242)	(340,242)
Other long term employee benefits paid		(721,946)	(721,946)	(798,824)	(798,824)
Share based payment		(1,263,640)	(1,263,640)	(230,662)	(230,662)
VAT paid*		(24,835,529)	(24,835,529)	(15,719,295)	(15,719,295)
<b>Net cash from operating activities</b>		<b>(115,714,640)</b>	<b>(115,814,123)</b>	<b>(82,704,677)</b>	<b>(82,711,075)</b>
<b>Cash flows from investing activities</b>					
Finance income		332,472	332,472	185,566	185,566
Proceeds from sale of property, plant and equipment		1,373,810	1,373,810	82,995	82,995
Acquisition of property, plant and equipment		(25,271,560)	(25,255,607)	(25,968,068)	(25,968,068)
Acquisition of right-of-use asset		(914,041)	(912,809)	(80,447)	(80,447)
Acquisition of subsidiaries & net of cash		(3,766,747)	(4,084,986)	-	-
Acquisition of intangible assets		(2,021,694)	(2,021,694)	(56,701)	(56,701)
<b>Net cash used in investing activities</b>		<b>(30,267,760)</b>	<b>(30,568,814)</b>	<b>(25,836,655)</b>	<b>(25,836,655)</b>
<b>Cash flows from financing activities</b>					
Proceeds from loans and borrowings		347,737,338	347,737,338	316,149,120	316,149,120
Repayment of loans and borrowings		(151,080,639)	(151,080,639)	(185,245,539)	(185,245,539)
Interest paid		(22,351,650)	(22,305,938)	(4,479,099)	(4,479,099)
Payment of Lease Liability		(24,504)	(24,504)	(8,240)	(8,240)
Deposit at registrars related to prior years unclaimed dividends		-	-	330,080	330,080
Dividends paid		-	-	(5,457,248)	(5,457,248)
<b>Net cash used in financing activities</b>		<b>174,280,545</b>	<b>174,326,257</b>	<b>121,289,074</b>	<b>121,289,074</b>
Net increase/(decrease) in cash and cash equivalents		<b>28,298,145</b>	<b>27,943,320</b>	<b>12,747,742</b>	<b>12,741,344</b>
Effect of foreign exchange rate changes on cash and cash equivalent		(24,288,513)	(24,288,513)	-	-
Cash and cash equivalents as at 1 <sup>st</sup> January		39,566,373	39,458,309	22,180,841	22,151,846
<b>Cash and cash equivalents as at 30<sup>th</sup> June</b>		<b>43,576,005</b>	<b>43,113,116</b>	<b>34,928,583</b>	<b>34,893,190</b>
Represented by:					
Cash balance		43,576,005	43,113,116	34,928,583	34,893,190
		<b>43,576,005</b>	<b>43,113,116</b>	<b>34,928,583</b>	<b>34,893,190</b>

The notes on pages 11 to 15 are an integral part of these 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 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 Company's registered office address is 1, Abebe Village Road, Iganmu, Lagos. The condensed interim financial statements of the Company as at and for the six-months period ended 30th June 2024 comprise the Company and its subsidiaries financial position.

The financial statements of Nigerian Breweries Plc as at and for the year ended 31st December 2023 are available from the Company's registered website [www.nbplc.com/investor-relations.html](http://www.nbplc.com/investor-relations.html)

### 2. REGULATIONS FOR DEALING IN NB PLC'S SHARES AND SECURITIES

In compliance with The Nigerian Exchange Limited's Rules, Nigerian Breweries Plc has in place Regulations to guide the Board, employees and other persons classified as insiders when effecting transactions in the Company's shares and securities. The Company's Regulations for Dealing in Shares and other Securities provide amongst others, the period when transactions are not allowed to be effected on the Company's shares and securities ("Closed Period") as well as disclosure requirements when effecting such transactions. All concerned are obliged to observe the provisions of the Regulations when dealing in the Company's shares and securities. The Company has made inquiries of all affected persons and is not aware of any infringement of the policy during the period.

### 3. 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 31st December 2023.

#### b. Functional and presentation currency

These condensed interim financial statements 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 judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect 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 judgments 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 31st December 2023.

## Notes to the condensed interim financial statements

### 4. 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 31st December 2023.

#### b. Income tax

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

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

### 6. ANALYSIS OF EXPENSES BY NATURE

For the six-month period ended 30th June:

	Group 2024 ₦'000	Company 2024 ₦'000	Group 2023 ₦'000	Company 2023 ₦'000
Raw materials and consumables	256,355,737	255,582,720	117,577,237	117,577,237
Advertising and sales expenses	38,422,193	38,421,575	23,589,873	23,589,873
Depreciation	24,873,083	24,744,232	22,671,589	22,457,782
Amortization	812,319	811,981	816,048	816,048
Employee benefits	34,549,212	34,474,523	31,574,719	31,497,457
Distribution	49,240,631	49,223,055	30,889,327	30,889,327
Repairs and Maintenance	14,917,603	14,899,094	8,083,609	8,083,609
Royalty and technical service fees	9,707,952	9,703,392	6,150,099	6,150,099
Others	12,105,310	12,035,910	8,467,671	8,420,819
<b>Total cost of sales, marketing &amp; distribution and administration expenses</b>	<b>440,984,039</b>	<b>439,896,482</b>	<b>249,820,172</b>	<b>249,482,251</b>

### 7. INTEREST INCOME, INTEREST EXPENSES AND OTHER NET FINANCE EXPENSES

Net finance income and expenses for the six-month period ended 30th June 2024 amounted to ₦153 billion (six-month period ended 30th June 2023: ₦96.2 billion).

#### a. Finance income

Interest income for the six-month period ended 30th June 2024 amounted to ₦332 million (six-month period ended 30th June 2023: ₦186 million).

#### b. Finance expense

Interest expenses for the six-month period ended 30th June 2024 amounted to ₦42.5 billion (six-month ended 30th June 2023: ₦11.1 billion expenses).

Other net finance expenses for the six-month period ended 30th June 2024 amounted to ₦112 billion (Six-month ended 30<sup>th</sup> June 2023: ₦85 billion).

## Notes to the condensed interim financial statements

The interest expenses on the net pension liability for the period ended 30th June 2024 amounted to ₦725 million (six-month period ended 30th June 2023: ₦650 million).

### 8. INCOME TAX EXPENSES

The Company's effective tax rate in respect of continuing operations for the six-month period ended 30th June 2024 was 26.97 per cent (for the six-month period ended 30th June 2023: 29.95 per cent).

### 9. PROPERTY PLANT AND EQUIPMENT

#### Acquisitions

During the six-month period ended 30th June 2024 the Company acquired, plant and equipment with a cost of ₦25 billion (six-month period ended 30th June 2023: ₦26 billion).

#### Capital commitments

As at 30th June 2024, the Company's capital expenditure commitments for property, plant and equipment amounted to ₦69 billion (30th June 2023: ₦103 billion).

### 10. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

#### Financial risk management

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 31st December 2023.

### 11. EQUITY

#### (a) Reserves

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

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

For the six-month period ended 30th June  
In shares

	2024	2023
1 <sup>st</sup> January		
Weighted average number of shares	10,276,132,378	8,298,839,837
Weighted average Scrip issues	-	-
<hr/>		
30 <sup>th</sup> June		
Weighted average number of shares	10,276,132,378	8,298,839,837

## Notes to the condensed interim financial statements

### 12. SHAREHOLDING PATTERN AND FREE FLOAT

The Company has reviewed its shareholding pattern in line with The Nigerian Exchange Limited's Rules and confirms that it has a free float value of ₦128 billion as at 30th June, 2024 and complies with The Exchange's free float requirement for companies listed on the Main Board as detailed below:

	30th June, 2024		30th June, 2023	
Share Price (Naira)	29.50		45.00	
	Units	(issued share capital) %	Units	(issued share capital) %
Issued Share capital	10,276,132,378	100.00%	10,276,132,378	100.00%
<b>Substantial Shareholdings (5% and above)*</b>				
Heineken Brouwerijen B.V.	3,937,890,521	38.32%	3,937,890,521	38.32%
Distilled Trading International B.V.	1,606,123,477	15.63%	1,606,123,477	15.63%
<b>Total Substantial Shareholdings</b>	<b>5,544,013,998</b>	<b>53.95%</b>	<b>5,544,013,998</b>	<b>53.95%</b>
<b>Directors' Shareholding (direct and indirect, excluding directors with substantial interest)</b>				
Mrs. Ifueko Omoigui Okauru, MFR (Direct)	44,990	0.00%	44,990	0.00%
Mrs. Adeyinka O. Aroyewun (Direct)	52,108	0.00%	52,108	0.00%
<b>Total Directors' Shareholdings</b>	<b>97,098</b>	<b>0.00%</b>	<b>97,098</b>	<b>0.00%</b>
<b>Other Influential Shareholdings</b>				
Heineken International B.V.	282,015,082	2.74%	282,015,082	2.74%
The Nigerian Breweries-Felix Ohiwerei Education Trust Fund	22,897,404	0.22%	25,752,100	0.25%
Progress Trust (CPFA) Limited	4,132,295	0.04%	4,132,295	0.04%
Government and Institutional shareholdings	68,186,600	0.66%	67,676,199	0.66%
<b>Total Other Influential Shareholdings</b>	<b>377,231,381</b>	<b>3.67%</b>	<b>379,575,676</b>	<b>3.69%</b>
<b>Free Float in Units and Percentage</b>	<b>4,354,789,901</b>	<b>42.37%</b>	<b>4,352,445,606</b>	<b>42.35%</b>
<b>Free Float in Value (in Naira)</b>	<b>128,466,302,080</b>		<b>195,860,052,270</b>	

\*While Stanbic Nominees Nigeria Limited holds 15.31% of the Company's shares, the shares are held on behalf of various shareholders. Consequently, the shares are considered as free floats and available for trading on the floor of The Exchange.

### 13. NET CASH COVERAGE /INTEREST BEARING DEBT POSITION

For the six-month period ended 30th June:

	Group 2024 ₦'000	Company 2024 ₦'000	Group 2023 ₦'000	Company 2023 ₦'000
Loans and borrowings	348,932,457	348,932,457	227,137,841	227,137,841
Cash, cash equivalents and current	(43,576,005)	(43,113,116)	(34,928,583)	(34,893,189)
<b>(Net cash coverage position)/interest bearing debt position</b>	<b>305,356,452</b>	<b>305,819,341</b>	<b>192,209,258</b>	<b>192,244,652</b>

The Company has revolving credit facilities with one of its bankers to finance its working capital. The approved limit of the loan is ₦6 billion.



## Notes to the condensed interim financial statements

### 14. CONTINGENCIES

No material updates in comparison with 2023 year-end reporting were identified that need to be reported.

### 15. 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 six-month period ended 30<sup>th</sup> June, 2024 do in substance deviate from the transactions as reflected in the financial statements as at and for the year 31st December 2023.

	Transaction value		Balance due (to)/from	
	Jun-24 ₹'000	Jun-23 ₹'000	Jun-24 ₹'000	Jun-23 ₹'000
Purchases - other related parties	(77,707,755)	(49,897,880)	(90,029,379)	(14,099,534)
Contract brewing services with:				
- Other related parties	-	-	-	976,322
<b>Technical Service fees &amp; royalties</b>				
- Parent	(1,839,894)	(1,357,909)	(10,006,328)	(6,571,990)
- Other related parties	(7,887,463)	(4,797,476)	(42,695,944)	(31,179,785)
<b>Total Technical and Royalty</b>	<b>(9,727,357)</b>	<b>(6,155,385)</b>	<b>(52,702,272)</b>	<b>(37,751,775)</b>
Sales and others				
- Other related parties	3,049,817	7,010,496	7,045,200	(5,305,526)

### 16. 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 30th June 2024 that have not been adequately provided for or disclosed in these condensed interim financial statements.