



Nigerian Breweries Plc
RC: 613

ANALYSTS & INVESTORS CONFERENCE CALL

2024 FULL YEAR RESULTS

WITH -



HANS ESSAADI
MANAGING DIRECTOR/CEO



BEN WESSELS BOER
FINANCE DIRECTOR



SADE MORGAN
CORPORATE AFFAIRS DIRECTOR



UABOI G. AGBEBAKU, ESQ.
COMPANY SECRETARY/LEGAL DIRECTOR

FEBRUARY 14TH 2025

1:00PM-2:00PM (WAT)



DISCLAIMER

This presentation may contain forward-looking statements on the financial position and results of the activities of Nigerian Breweries Plc. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the statements.

Many of these risks and uncertainties relate to factors that are beyond Nigerian Breweries' ability to control or estimate precisely, such as future market and economic conditions, the behaviour of other market participants, changes in consumer preferences, costs of raw materials, interest rate and foreign exchange fluctuations, change in tax rates, changes in law, changes in pension costs, the actions of government regulators and weather conditions.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Nigerian Breweries does not undertake any obligation to publicly release any revision to any forward-looking statement to reflect events or circumstances thereafter.

Market share estimates contained in this presentation are based on outside sources in combination with management estimates.

AGENDA

2024 Full Year Review

Nigerian Breweries at a Glance
Operating Environment
Our Strategy to Win

2024 Full Year Financial Performance Review

Financial Results
Summary

2025 Outlook

Winning Beyond Limits

Q&A



2024 Full Year Review



Hans Essaadi
Managing Director



Nigerian Breweries at a Glance



#1 in Lager, #1 in Malt, #2 in Stout

12 Sales regions
with National Coverage

9 Breweries
7 Operational
1 Malting Plant

21 Depots

₦1,084bn
Net revenue

₦514bn
Net assets

2,260
Employees

₦70bn
Operating profit

0.5x
* Net debt/EBITDA

Market Capitalisation
(Naira)

₦991.5bn

Market Capitalisation
(US Dollar)

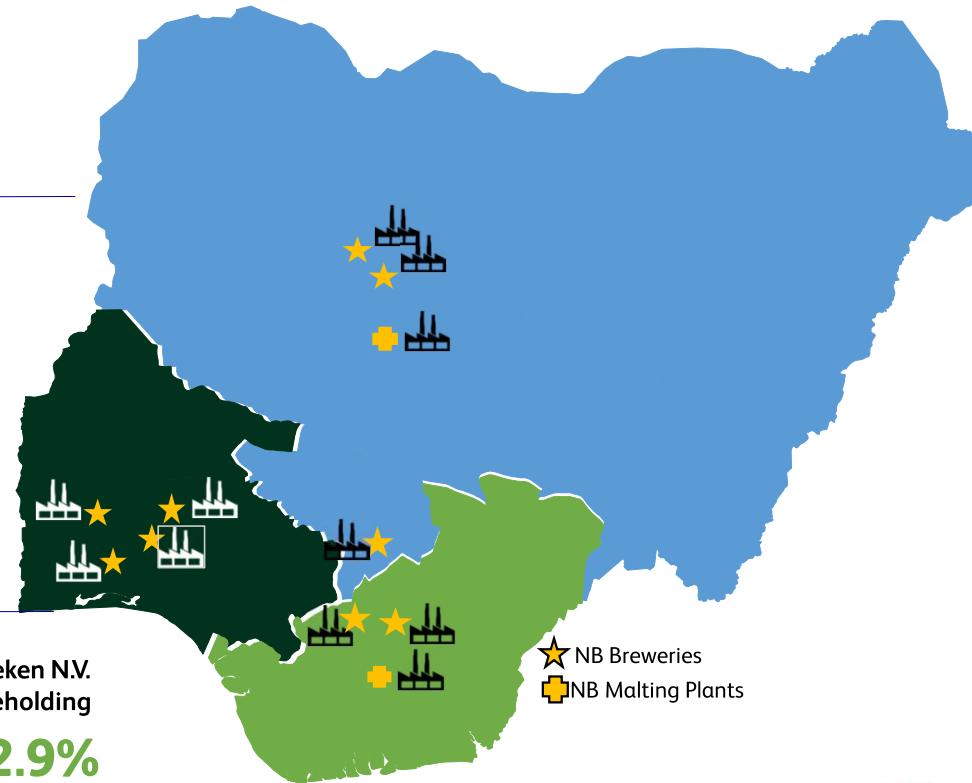
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Number of Shareholders

115,385

Heineken N.V.
Shareholding

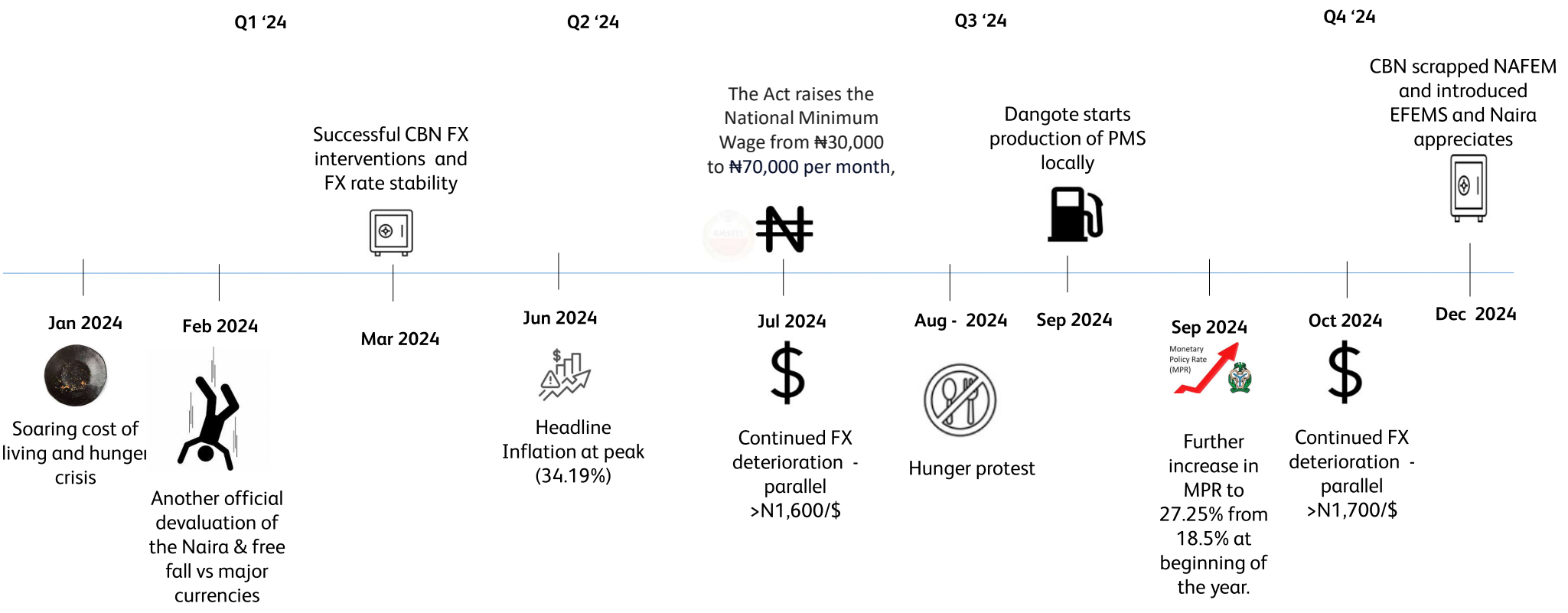
72.9%



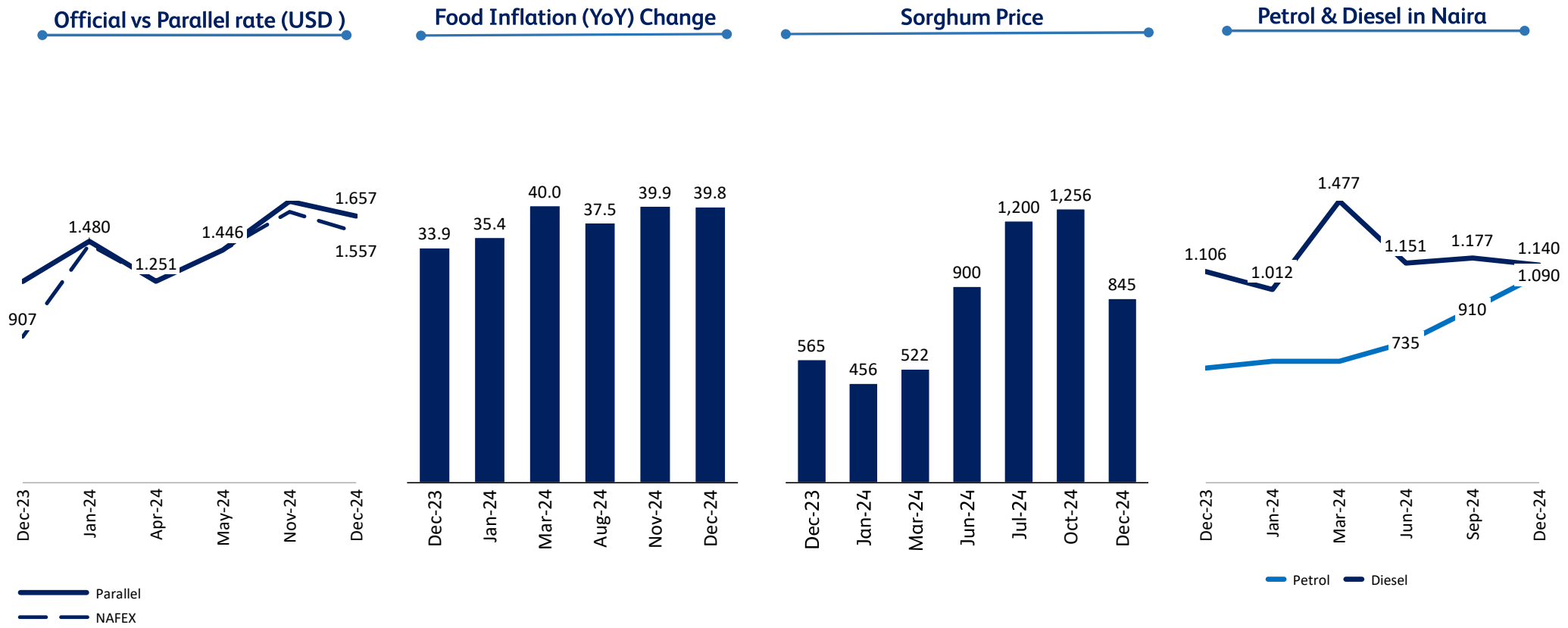
* Net debt is interest-bearing debt less cash and cash equivalent

Figures as at December 2024

2024 External Environment | A tale of headwinds, a few tailwinds, and first signals of stabilization towards the end of the year



External inflationary factors | FX, fuel and food impacted consumer disposable income at an accelerated rate. Q4 showed some FX stability and potential improvement



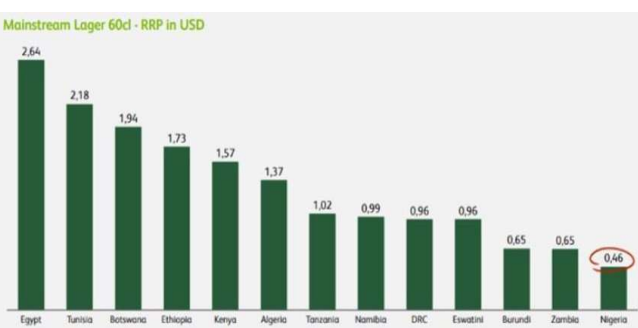
Weathered the Storm with our Business Recovery Plan | A set of actions for operational efficiency and financial stability

Restore
P&L

Project Swift - Optimizing our Production Footprint



Pricing to partly mitigate inflation and high input cost



Reintroduction of Affordable brands



Restore
Balance Sheet

Project Eagle - N600bn Capital injection



FX Debt Management



Total Debt Management



Driven by Excellent Communications & Stakeholder Engagement with Community Support

2024 Recap | We continued to future proof our Company

Our Brands

Winning with GenZs



Setting trends with our brands



Our Innovations

Category Disruptors



Pack-Price Innovations

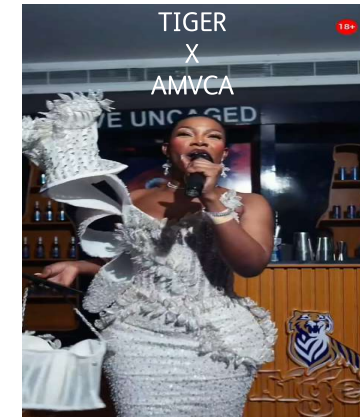


Our Business

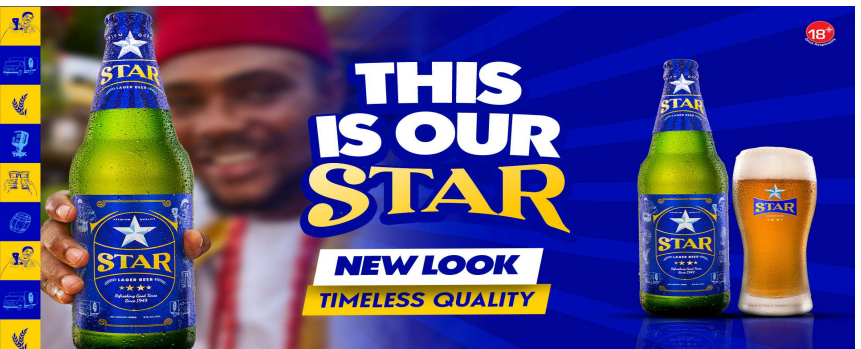
Portfolio Transformation



Premium Portfolio | Heineken 45cl launched, making premium beer more accessible to a wider audience while appealing to younger consumers through unique experiences.



Mainstream Portfolio | Identified with cultural events & festivities to excite our consumers



DRINK RESPONSIBLY. NOT FOR SALE TO PERSONS UNDER THE AGE OF 18

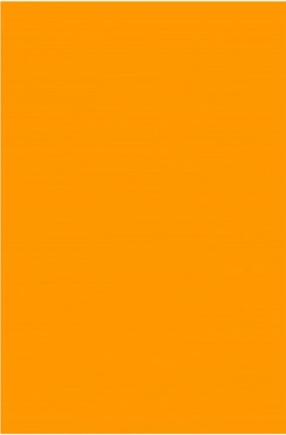
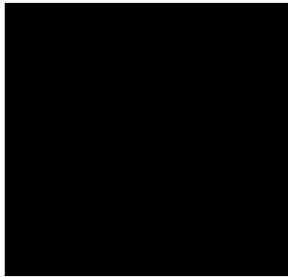
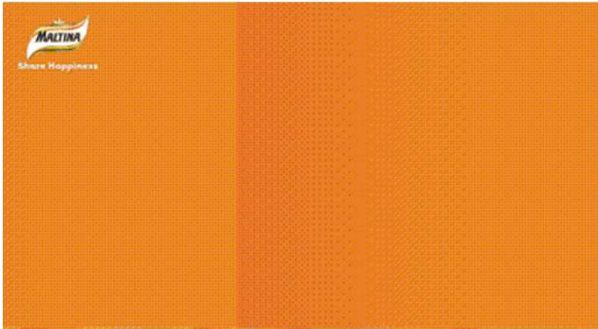
Beyond Beer Portfolio | Connecting with Gen Z values, amplifying lifestyle experiences, and pioneering innovations to fuel incremental growth.



Dark Beer Portfolio | Event partnerships and impactful trade activations were major growth drivers for 2024



MALT Portfolio | Revitalize the category through innovative communication and product revamp to drive coolness and differentiation.



Our affordable Brands continued to perform well with our consumers



**Affordable Malt
Proposition**



**Life 45cl Returnable
bottle**



**100% locally-sourced
ingredients**



Affordable Stout

We continue to strengthen our winning culture while fostering a safe, caring and inclusive work environment

Our Climate scores continue to grow across all dimensions.



Empowering individuals and teams to own their overall well-being and safety

Keep Fit Challenge

Registration: 15th April - 22nd April 2024 at Brewery locations; Sales team: use registration link

Duration: 29th April - 29th July 2024

Several Prizes to be won

For Further Information: Contact your BMD, HIN, HRBP

NB WEBINARS

Building Sustainable Nutritional Habits For Long-Term Health

Speakers: Dr. Fola Olatunji, Dr. Chikenna Akintola

PUT SAFETY FIRST!

Creating an inclusive environment for all to thrive

WVNB

CULTURAL DIVERSITY

MASTERING THE ART OF CAREER ADVANCEMENT AND PROFESSIONAL RECOGNITION

WVNB

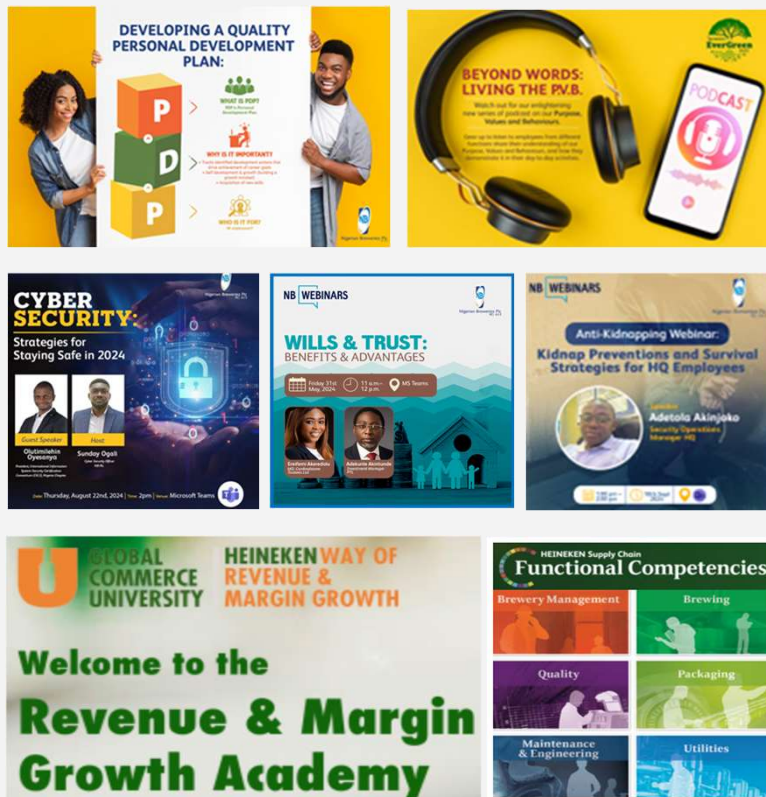
NAVIGATING PARENTHOOD: New-born & Toddler Moms

18th September, 2024 12:00 pm - 1:30 pm

Speakers: Chikenna Akintola, Chikenna Akintola, Chikenna Akintola, Chikenna Akintola, Chikenna Akintola, Chikenna Akintola, Chikenna Akintola, Chikenna Akintola

We invested in building key capabilities to unlock our people's potential

Capability building programs to develop a high-performing team



Leader-led engagement sessions to inspire, develop and retain our Talent



Our Route to Consumer continues to grow covering 68% of NB customers

544k Outlets Covered



B2B Platform



Front Line Sales



Customer Service
/ Telesales

Enablers



MyJara



Net Promoter Score



NPS = % of Promoters – Detractors

NPS = 85 (*sustained vs LY*)



NPS % of Revenue = 65%

Sustainability remains at the Heart of our Business



We continue to raise the bar on our Brew a Better World agenda with focus on three pillars:

- Raising the bar on **climate action**
- Accelerating our **social sustainability agenda** through community impact
- Addressing the **harmful use of alcohol**

Environmental



>N2.5 billion

Investment in Decarbonisation of our Footprints

283,904

Total Number of Trees Planted at the Olokemeji Forest Reserve to Restore Healthy Watersheds

7/7

Operational Breweries equipped with functional wastewater treatment plants

98%

Zero-Waste to Landfill

Social



N168 million

Invested in Skills Acquisition Centre and Cassava Milling Plant donated to Kaduna and Awo-Omamma Communities

100%

Fair Living and Working Standards for Employees and Non-Employees

10

Editions of Maltina Teacher of the Year Competition

37

Teachers recognized and rewarded across 36 states and the FCT

Responsible



N84 million

Spent on addressing harmful use of alcohol by commercial drivers and moderation

500+

Commercial drivers reached on the dangers of alcohol consumption while driving

N67.3m

Media Spend invested on Moderation Campaign

25M+

Audience reached through Digital Campaign on Moderation

Modernizing our footprint – Breweries upgrade Ama and Kudenda finalized



- Ama expansion is operational and online. Kudenda 90% completed
- Main objectives:
 - Replacement of older equipment
 - Key enabler to drive our Premium agenda
 - Increase capacity ahead of future market growth
- Improving economic activities to the states (Enugu and Kaduna)
- Expansion work is in full compliance with international safety standards to protect our environment and our people

2024 Full Year Financial Performance Review

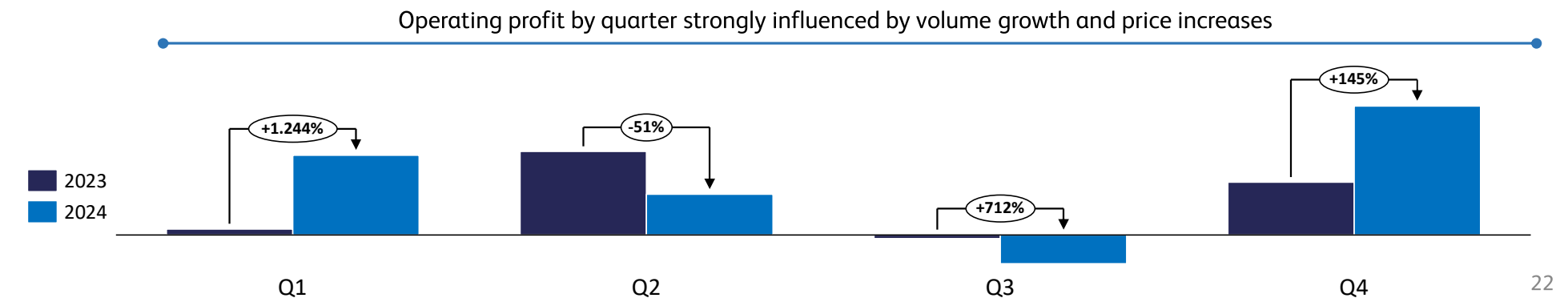
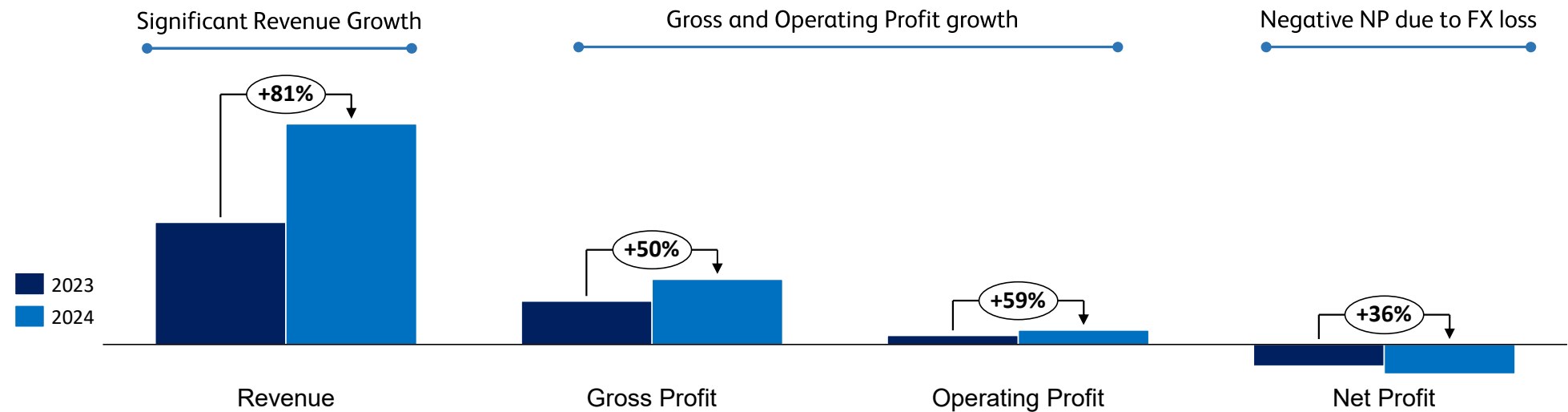


Ben Wessels Boer

Finance Director

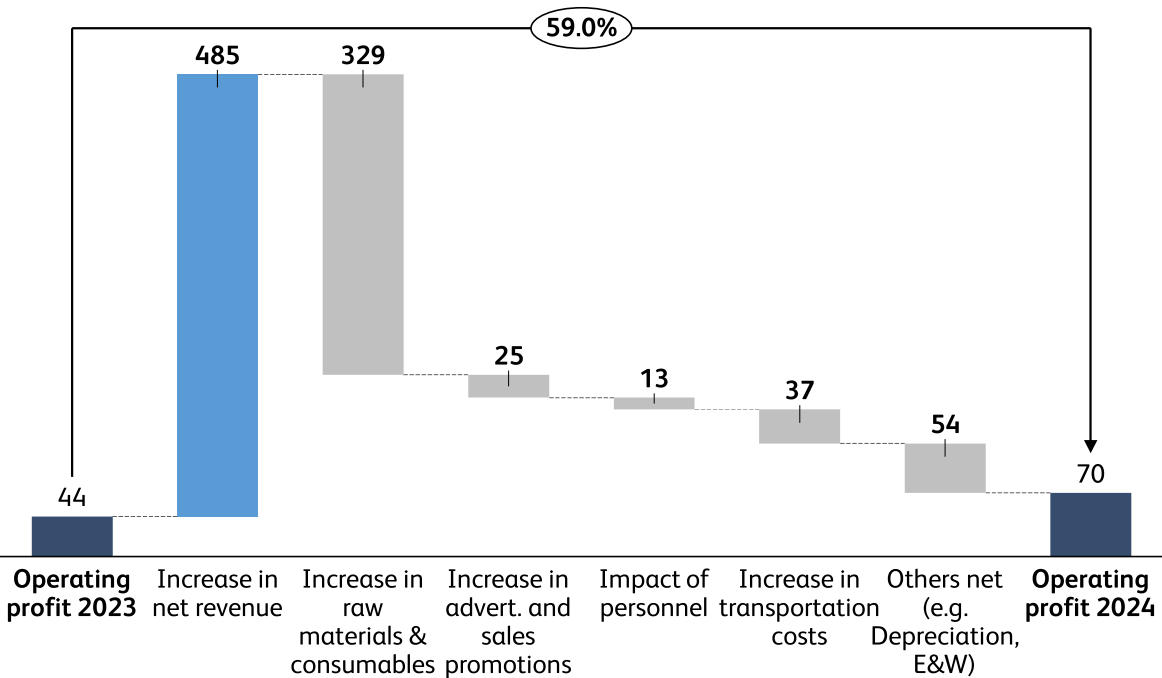


Operating Profit growth driven by volume growth, pricing and cost savings. Increasing interest cost and continued Naira devaluation results in negative net profit



Strong growth in Operating Profit FY 2024 vs 2023

Operating profit bridge (₦ billion)

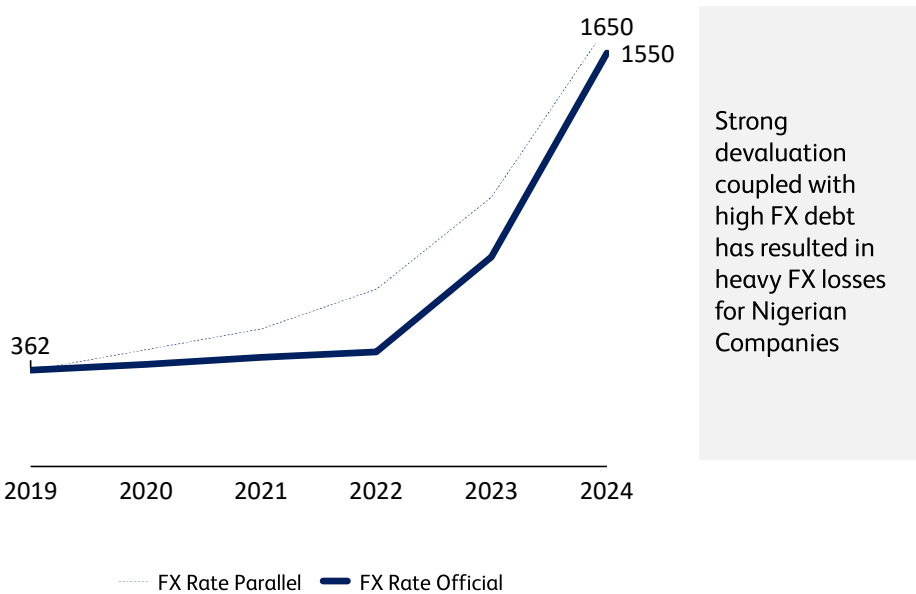


P&L

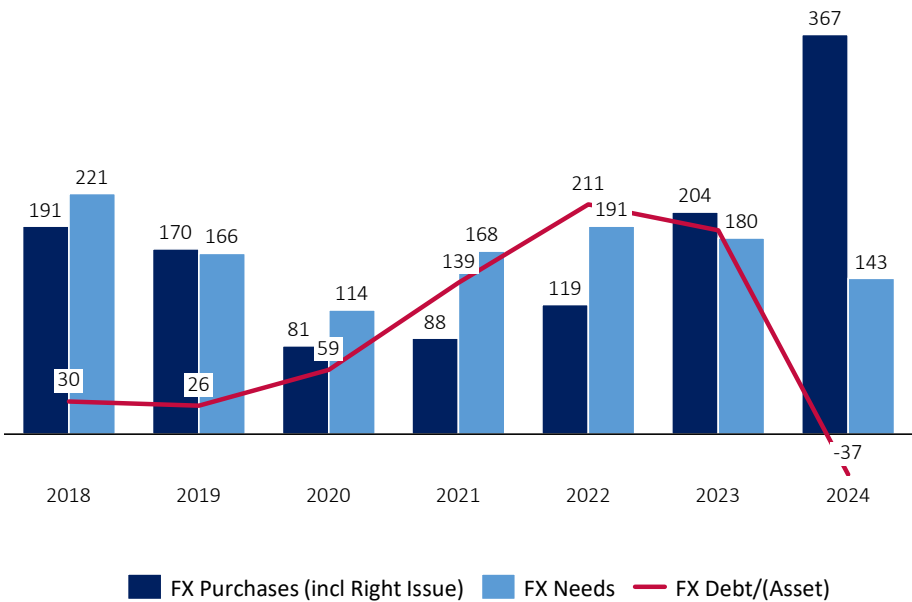
FY 2024	Nigerian Breweries		
	Jan - Dec ₦'m		
	2024	2023	Var. (%)
Revenue	1,084,436	599,643	80.8%
Cost of Sales	(764,520)	(387,033)	-97.5%
Gross Profit	319,916	212,610	50.5%
Other income	4,029	2,958	36.2%
Selling and distribution expenses	(203,239)	(142,493)	-42.6%
Administrative Expenses	(46,755)	(28,642)	-63.2%
Expected credit loss on financial assets	(4,054)	(470)	-762.6%
Operating Profit	69,897	43,963	59.0%
Operating Profit Margin %	6.4%	7.3%	(89) bps

FX debt and exposure to devaluation losses was driven by FX shortages in recent years. With increased FX purchases and rights issue proceeds we have eliminated our FX debt

FX Rate Development

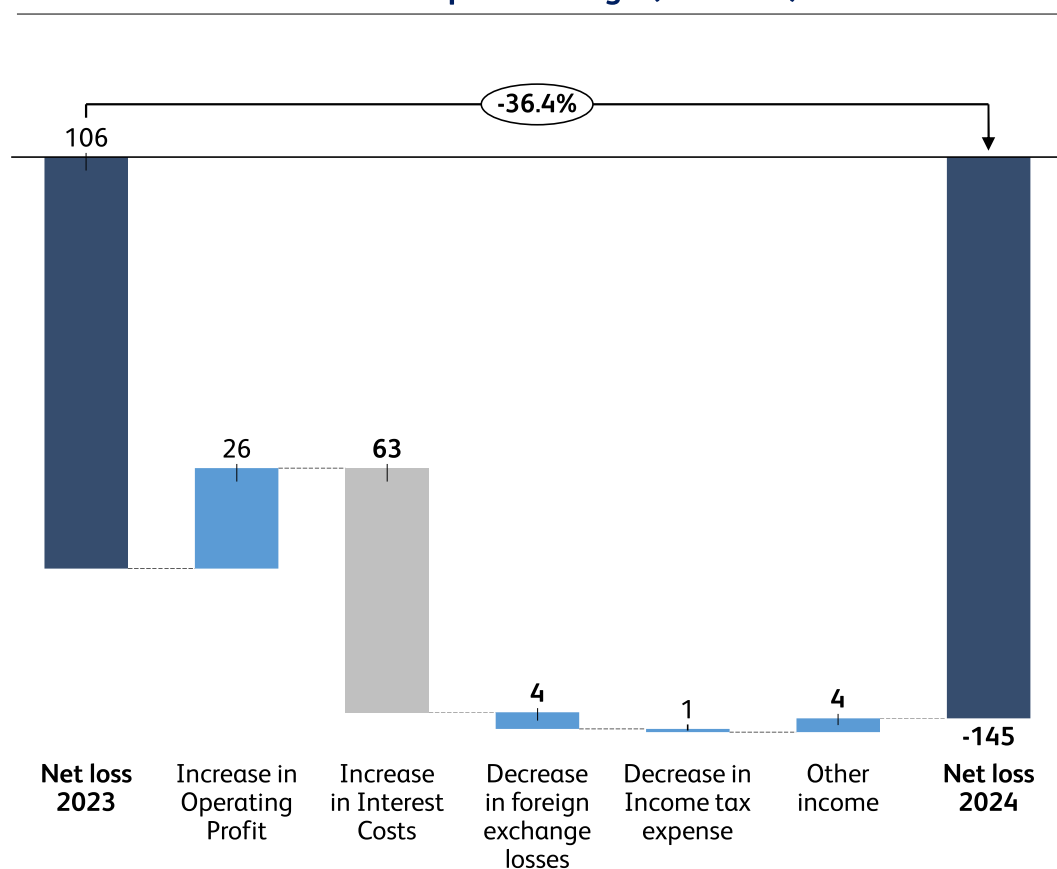


NB FX Debt and WC Payables Development (EURm)



Net loss due to continued FX losses and high interest expenses ahead of Rights Issue

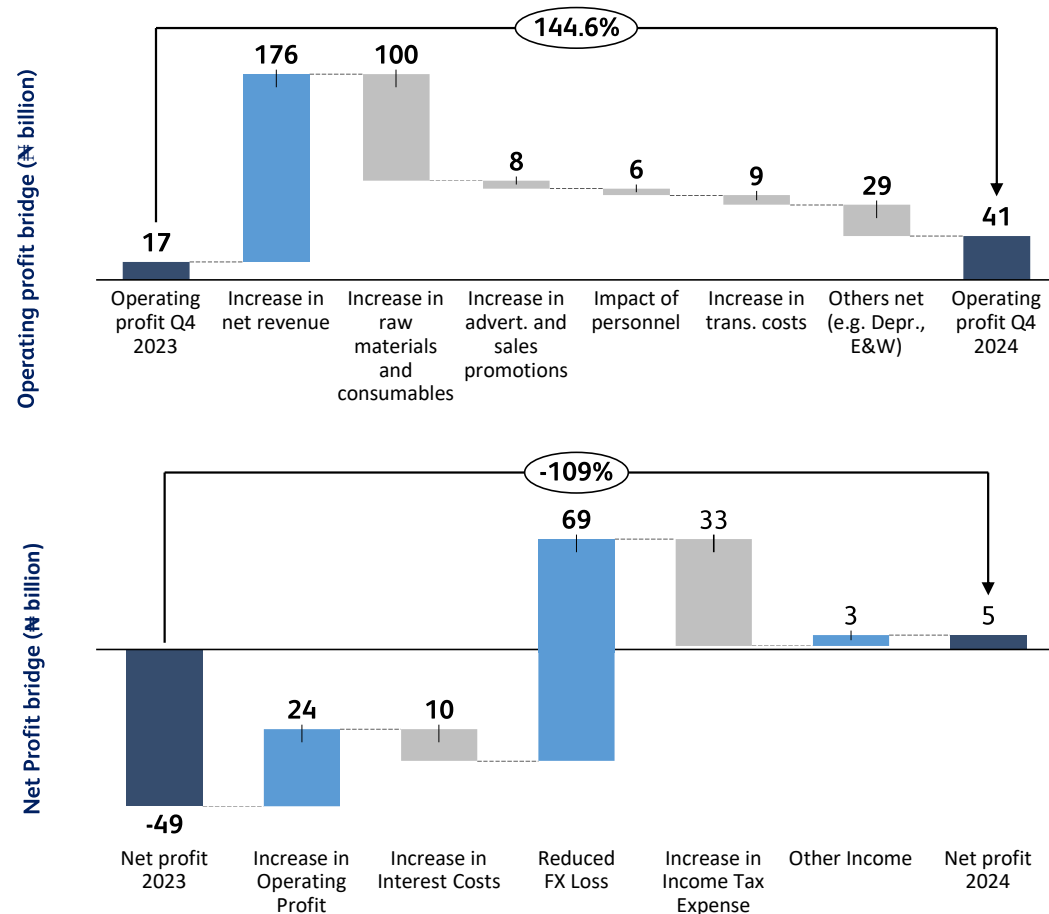
Net profit bridge (₦ billion)



P&L

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Operating Profit	69,897	43,963	59.0%
Operating Profit Margin %	6.4%	7.3%	(89) bps
Finance Income	4,242	513	726.5%
Net loss on foreign exchange transactions	(157,595)	(153,333)	-2.8%
Finance Costs	(99,462)	(36,368)	-173.5%
Net Finance Costs	(252,814)	(189,188)	-33.6%
Profit before Tax	(182,917)	(145,224)	-26.0%
Income tax	38,034	38,917	2.3%
Loss after tax from continuing operations	(144,883)	(106,308)	-36.3%
Loss for the year from discontinued operations	(113)	-	0.0%
Loss for the year	(144,996)	(106,308)	-36.4%
Loss Margin	-13.4%	-17.7%	436 bps
Revenue / HL	83.0	51.6	60.9%
Cost of Sales / HL	(58.5)	(33.3)	-75.7%
Operating Profit / HL	5.3	3.8	41.4%

Very strong operational performance in Quarter 4 and return to net profit reflecting effectiveness of business recovery plan



Q4 2024 vs Q4 2023	Nigerian Breweries Oct - Dec ₦'m		
	2024	2023	Var. (%)
Net Revenue	373,564	197,842	88.8%
Cost of Sales	(263,561)	(137,792)	-91.3%
Gross Profit	110,003	60,050	83.2%
Other income	631	1,004	-37.1%
Marketing and distribution expenses	(60,138)	(40,940)	-46.9%
Administrative Expenses	(8,993)	(3,586)	-150.8%
Net release of expected credit loss on financial assets	(651)	176	470.5%
Operating Profit	40,852	16,704	144.6%
Operating Profit Margin %	10.9%	8.4%	249 bps
Finance Income	3,759	221	1603.3%
Net gain/loss on foreign exchange transactions	2,890	(66,506)	104.3%
Finance Costs	(27,418)	(17,480)	-56.9%
Net Finance Costs	(20,770)	(83,765)	75.2%
Profit before Tax	20,082	(67,061)	129.9%
Income Tax Expense	(15,465)	17,948	-186.2%
Profit after tax from continuing operations	4,617	(49,113)	-109.4%
Loss for the year from discontinued operations	(113)	-	0.0%
Profit/Loss for the period	4,504	(49,113)	109.2%
Profit Margin	1.2%	-24.8%	2,603 bps
Revenue / HL	100.6	57.6	
Cost of Sales / HL	(71.0)	(40.1)	
Operating Profit / HL	11.0	4.9	

Financial Position Dec '24, Sept '24 & Dec '23

Group Financial Position					
	Dec-24 N'm	Sep-24 N'm	Dec-23 N'm	Trend Dec 24 vs 23	Trend Dec 24 vs Sep 24
Property, Plant & Equipment	535,271	478,331	441,433	21%	12%
Right of Use Assets	8,996	8,993	8,945	1%	0%
Investment	150	150	150	0%	0%
Intangible Assets & Goodwill	99,844	103,222	91,914	9%	-3%
Inventories	181,259	170,173	122,036	49%	7%
Accounts Receivable	55,355	67,513	48,941	13%	-18%
Cash	150,588	35,036	39,566	281%	330%
Other Assets	106,813	128,555	42,887	149%	-17%
Total Assets	1,138,276	991,973	795,873	43%	15%
Equity	463,031	(86,353)	63,284	632%	-636%
Non-controlling interest	912	1,055	-	0%	-14%
Non Current Liabilities	9,746	13,394	11,840	-18%	-27%
Borrowings	209,050	652,101	341,602	-39%	-68%
Accounts Payable	435,568	387,091	355,289	23%	13%
Current tax Liabilities	10,402	7,981	6,716	55%	30%
Other Liabilities	9,566	16,704	17,142	-44%	-43%
Total Equity and Liabilities	1,138,276	991,973	795,873	43%	15%
PPE Turnover Ratio	2.0	1.5	1.4		
Net Debt/EBITDA	0.5	9.0	3.1		
Working Capital Turnover Ratio	(5.4)	(1.5)	(1.7)		
Working Capital	(199,882.2)	(477,059.4)	(356,898.0)		

2024 Financial Summary | Building a sustainable growth model in Nigeria

- Foreign exchange volatility and high capital costs resulted in significantly increased operating and finance costs.
- Despite these challenges, we achieved a 79% year-on-year revenue growth, driven by strategic pricing, market expansion and innovations.
- Operating profit surged by 54% reflecting successful cost management.
- Increased interest rates and Naira devaluation led to a 33% rise in finance costs, impacting overall profitability with a 37% increase in net loss.
- The management, supported by shareholders, embarked on a business recovery actions in 2024, including the Rights Issue.
- In the last quarter, revenue grew by 89%, operating profit increased by 145%, and net finance costs decreased by 75%, leading to a return to profitability for the first time in two years.
- With a stronger balance sheet and supply capacity available, Nigerian Breweries is well-positioned to seize future opportunities.

2025 Outlook



Hans Essaadi
Managing Director





Our Strategy to Win

**Lead and Accelerate Premium
led by Heineken®, Tiger, Desperados and Legend**

Grow Value and Protect Volume in Mainstream Lager led by Goldberg and Life

Grow value with our Premium Malt brands led by Maltina

Unapologetically Expand Beyond Beer with Distell Portfolio and Zagg

**Leverage our strong national footprint whilst improving
Customer Experience**

Q&A



Sade Morgan

Corporate Affairs Director



150  YRS
Heineken®

Thank you!