



Earnings Update: Guinness Nigeria Plc (Ticker: GUINNESS)

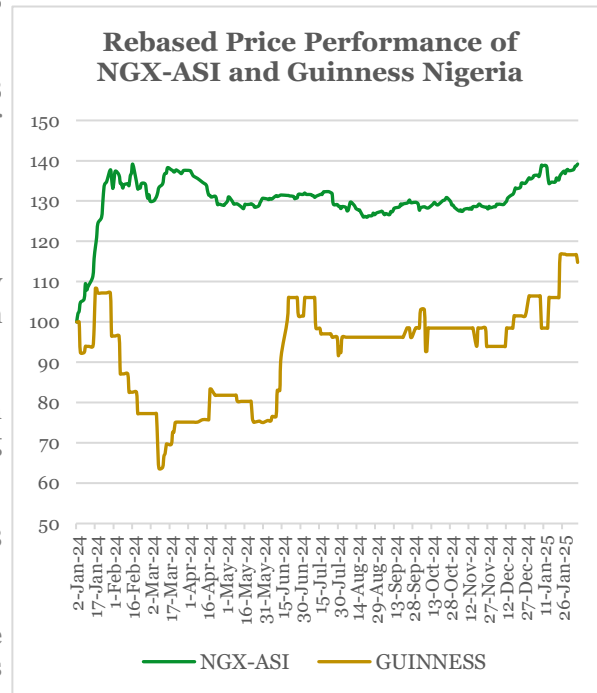
THINGS WE LIKE ABOUT THE RESULT

1. Revenue increased by 82.06%, reaching ₦259.60 billion for the period ending December 2024, compared to ₦142.60 billion during the same period in 2023.
2. Gross profit increased by 28.45%, reaching ₦59.01 billion for the period ending December 2024 compared to ₦45.94 billion during the same period in 2023.
3. Finance income skyrocketed by 1,993.90%, reaching ₦63.97 billion for the period ending December 2024 compared to ₦3.05 billion during the same period in 2023.
4. Profit before tax turned positive, appreciating by 192.66% to ₦4.11 billion in December 2024, up from a loss of ₦4.43 billion in December 2023.
5. Net losses reduced by 94.22%, improving from a loss of ₦5.23 billion in December 2023 to ₦302.76 million in December 2024.

THINGS WE DID NOT LIKE ABOUT THE RESULT

1. Administrative expenses nearly doubled, increasing by 96.79% to ₦16.27 billion in Dec. 2024 from ₦8.26 billion in Dec. 2023.
2. Borrowings increased by 47.93%, rising from ₦40.13 billion in June 2023 to ₦59.37 billion in December 2024, reflecting higher leverage, which may increase financial risk.
3. Finance expenses surged by 197.75%, increasing from ₦23.88 billion in Dec. 2023 to ₦71.12 billion in Dec. 2024.
4. Equity declined by 14.01%, falling from ₦2.16 billion in June 2023 to ₦1.86 billion in December 2024, raising concerns about capital erosion despite revenue growth.
5. Liabilities increased by 24.27%, from ₦223.97 billion in June 2023 to ₦278.32 billion in December 2024, primarily driven by increased debt and current liabilities.

| TICKER | GUINNESS |
|------------------------------|----------------|
| Price (₦) as of 10 Feb. 2025 | 77.00 |
| Shares Outstanding | 2.19B |
| 52 Weeks High (₦) | 77.10 |
| 52 Weeks Low (₦) | 42.05 |
| 1 Year Change (%) | 33.9% |
| Market Cap (₦) | 168.7B |
| Price-to-Book | 90.7x |
| EPS – P/E | -22.75 - -3.4x |
| Dividend Yield TTM | - |



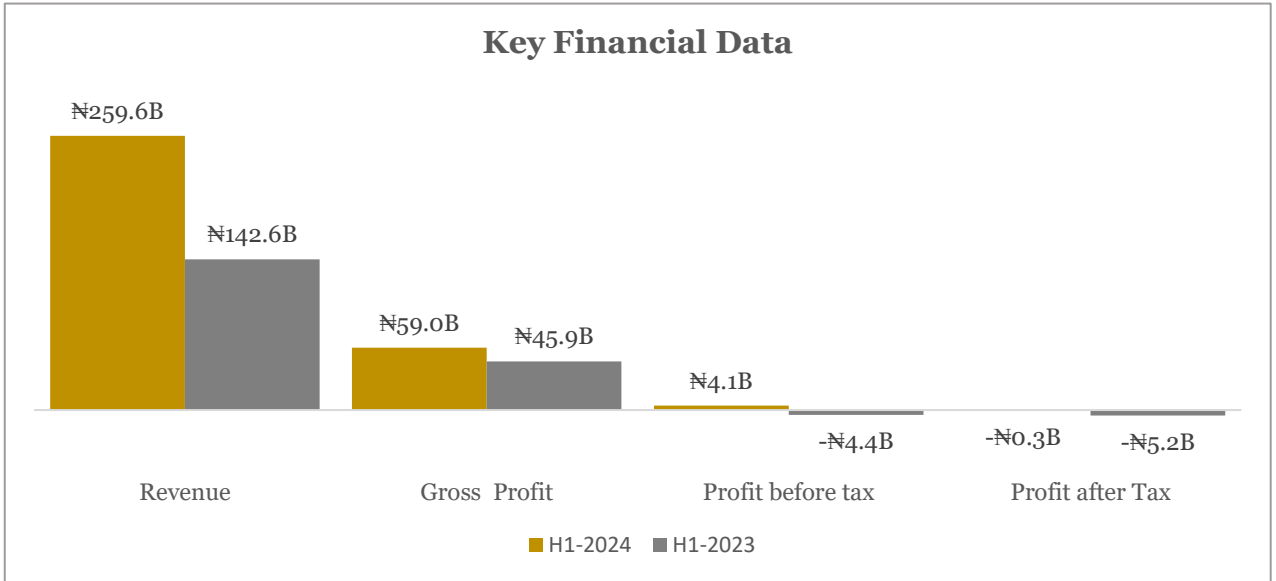
Source: Investing.com, Parthian Securities Research

www.parthiansecuritiesng.com

Kindly click [here](#) for the full financial statement.



| INCOME STATEMENT | H1-2024 (₹'000) | H1-2023 (₹'000) | Change (%) |
|--|------------------------|------------------------|-------------------|
| Revenue | 259,604,670 | 142,595,584 | 82.06% |
| Cost of sales | (200,598,317) | (96,656,631) | 107.54% |
| Gross profit | 59,006,353 | 45,938,953 | 28.45% |
| Other Income | 159,071 | 2,513,893 | -93.67% |
| Administrative Expenses | (16,267,091) | (8,264,980) | 96.82% |
| Marketing and Distribution Expenses | (31,642,254) | (23,790,707) | 33.00% |
| Profit from Operating Activities | 11,256,079 | 16,397,159 | -31.35% |
| Finance expenses | (71,115,626) | (23,884,309) | 197.75% |
| Finance Income | 63,966,656 | 3,054,901 | 1993.90% |
| Profit/(loss) before tax | 4,107,109 | (4,432,249) | 192.66% |
| Income Tax | (4,409,864) | (801,440) | 450.24% |
| Profit/(loss) for the year | (302,755) | (5,233,689) | 94.22% |
| STATEMENT OF FINANCIAL POSITION | H1-2024 (₹'000) | FY-2023 (₹'000) | Change (%) |
| Property, plant and equipment | 108,372,024 | 101,321,397 | 6.96% |
| Intangible assets | 404,577 | 481,120 | -15.91% |
| Right of use assets | 130,176 | 131,180 | -0.77% |
| Deferred Tax Asset | 17,623,951 | 20,640,824 | -14.62% |
| Total non-current assets | 126,530,728 | 122,574,521 | 3.23% |
| Trade and other receivables | 43,389,613 | 13,225,730 | 228.07% |
| Prepayment and other assets | 10,253,314 | 1,561,241 | 556.74% |
| Inventories | 80,804,408 | 41,857,479 | 93.05% |
| Total current assets | 153,645,542 | 103,555,556 | 48.37% |
| Total assets | 280,176,270 | 226,130,077 | 23.90% |
| Lease Liabilities | 146,456 | 135,325 | 8.23% |
| Retirement benefit obligation | 1,152,356 | 1,363,939 | -15.51% |
| Total Non-Current Liabilities | 1,298,812 | 1,499,264 | -13.37% |
| Dividend payable | 1,127,380 | 1,184,550 | -4.83% |
| Loans and borrowings | 59,369,684 | 40,132,900 | 47.93% |
| Total current liabilities | 277,018,746 | 222,469,347 | 24.52% |
| Total liabilities | 278,317,559 | 223,968,611 | 24.27% |
| Total equity | 1,858,711 | 2,161,466 | -14.01% |
| Total equity and liabilities | 280,176,270 | 226,130,077 | 23.90% |
| STATEMENT OF FINANCIAL POSITION | H1-2024 (₹'000) | H1-2023 (₹'000) | Change (%) |
| Net cash used in operating activities | (2,552,727) | 22,050,784 | -111.58% |
| Net cash used in investing activities | (9,266,292) | (2,791,103) | 231.99% |
| Net cash used in financing activities | (32,029,140) | (13,864,218) | 131.02% |



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