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## Corporate Information

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### BOARD OF DIRECTORS

Felix Addo (Chairman)  
Hélène Weesie (Managing Director)  
Teye Mkushi  
Ignacio Blazquez Salvador  
Kofi Sekyere  
John Boadu  
Ngozi Aghomi (Appointed on 23 February 2021)  
Andrew Cowan (Appointed on 23 February 2021)  
Isaac Amedzeafe Tosu (Resigned on 23 February 2021)  
Hina Nagarajan (Resigned on 23 February 2021)

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### SECRETARY

Suzannè Glenda Butah  
Guinness Ghana Breweries Plc  
P. O. Box 3610  
Accra

### REGISTERED OFFICE

Guinness Ghana Breweries Plc  
Industrial Area, Kaasi  
P. O. Box 1536  
Kumasi

### INDEPENDENT AUDITOR

PricewaterhouseCoopers  
Chartered Accountants  
PwC Tower  
A4 Rangoon Lane, Cantonments City  
PMB CT42, Cantonments  
Accra

### REGISTRAR

The Head  
Registrar Services  
Universal Merchant Bank Limited  
Merban House  
44 Kwame Nkrumah Avenue  
P. O. Box 401  
Accra

### SOLICITOR

Legal Ink Solicitors and Notaries  
House No. F89/7 Emmaus Road  
Off 2nd Labone Street, Labone  
PMB 24, Kanda  
Accra

### BANKERS

ABSA Bank Ghana Limited  
Societe Generale (Ghana) Limited  
Stanbic Bank (Ghana) Limited  
Standard Chartered Bank (Ghana) Limited

## Board Members

**Dr. Felix Addo**  
Board Chairman



**Hélène Weesie**  
Managing Director



**Teye Mkushi**  
Finance Director



**Ignacio Blázquez Salvador**  
Board Member



**Kofi Sekyere**  
Board Member



**John Boadu**  
Board Member



**Ngozi Aghomi**  
Board Member



**Andrew Cowan**  
Board Member





## Notice of Virtual Annual General Meeting

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Notice is hereby given that the 49<sup>th</sup> Annual General Meeting of Guinness Ghana Breweries Plc will be held online on 3 November 2021 at 11 o'clock in the morning for the following purposes:

### AGENDA

1. To receive the report of the directors, the Financial Statements for the year ended 30 June 2021 and the Report of the Auditors thereon.
2. To declare a dividend
3. To re-elect directors retiring by rotation
4. To elect Mr. Andrew Cowan and Mrs. Ngozi Aghomi as directors following their appointment on 23 February, 2021.
5. To approve non-executive directors' fees
6. To appoint new auditors
7. To authorize the directors to fix the remuneration of the auditors

A member of the Company entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of him. A proxy need not also be a Member. A proxy form is attached and for it to be valid for the purpose of the Meeting, it must be completed and deposited at the Registrars' Universal Merchant Bank Ghana Limited's offices not less than 48 hours before the meeting.

**Dated this 15<sup>th</sup> day of September, 2021**

By order of the Board  
Suzannè Butah  
Company Secretary

### Board of Directors and Secretary

Dr. Felix Addo (Chairman), Hélène Weesie (Managing Director), Teye Mkushi, Andrew Cowan, Kofi Sekyere, Ignacio Salvador Blazquez, John Boadu, Ngozi Aghomi, Suzannè Butah (Secretary).

### Executive Management Committee

Hélène Weesie, Teye Mkushi, Ngozi Aghomi, Audrey Achaw, Sylvia Owusu-Ankomah, Obinna Anyalebechi,

Helen Opoku-Agyemang, Suzannè Butah

### Audit Committee

John Boadu (Chairman), Dr. Felix Addo, Ignacio Salvador Blazquez and Teye Mkushi

### Nominations Committee

Kofi Sekyere (Chairman), Hélène Weesie, Andrew Cowan

### Registered Office

Guinness Ghana Breweries Plc, Kaase Industrial Area, P. O. Box 1536, Kumasi.

### Registrar's Office

The Head, Registrar Services, Universal Merchant Bank Limited, Merban House, 44 Kwame Nkrumah Avenue, P. O. Box 401, Accra

## Notice of Virtual Annual General Meeting (Continued)

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### NOTES

1. In compliance with the current restrictions on public gatherings in force pursuant to the Imposition of Restrictions Act, 2020 (Act 1012) and consequent regulatory directives, attendance and participation by all Shareholders and/or their proxies in this year's Annual General Meeting (AGM) of Shareholders shall be strictly virtual.
2. Virtual attendance shall be by online participation by accessing **[www.guinnessghanaagm.com]**; [Alternatively Shareholders who do not have smart phones may participate in the AGM by (i) dialing +233 **[0244 135 839]**; (ii) entering the access code [USSD code **[\*899\*3#]**; and (iii) entering the conference pin number **[To be provided by the Registrar]**.
3. A Shareholder entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend virtually and vote on his/her behalf. Such a proxy need not be a Shareholder of the Company.
4. The appointment of a proxy will not prevent a Shareholder from subsequently attending and voting at the meeting virtually. Where a Shareholder himself/herself attends the meeting virtually, the proxy appointment shall be deemed to be revoked.
5. A copy of the Form of Proxy can be downloaded from the website **[www.guinnessghanaagm.com]** and may be filled and sent via email to **[HARRIET.ANTWI@MYUMBBANK.COM]** or deposited at the registered office of the Registrars of the Company, **[The Head, Registrar Services, Universal Merchant Bank Limited, Merban House, 44 Kwame Nkrumah Avenue, P. O. Box 401, Accra]** Accra to arrive no later than 48 hours before the appointed time for the meeting.
6. The 2021 Audited Financial Statements can be found in the Annual Returns Brochure which may be viewed by visiting **www.guinnessghanaagm.com**.
7. Shareholders are encouraged to send in any questions in advance of the AGM by emailing them to UMB email]. Answers to the questions will be provided at the AGM.
8. Accessing and Voting at the AGM:
  - 8.1 Access to the meeting will be made available from 8am on the 3 November 2021. Kindly note however that the AGM shall commence at 11am. Access to the AGM is set out in note 1 above.
  - 8.2 A unique token number will be sent to Shareholders by email and/or SMS from [11 October, 2021] to grant access to the AGM. Shareholders who do not receive this token may contact **[HARRIET.ANTWI@MYUMBBANK.COM]** or call **[0244 135 839]**, but before the date of the AGM to be sent the unique token.
  - 8.3 Shareholders who do not submit proxy forms to **[HARRIET.ANTWI@MYUMBBANK.COM]** prior to the meeting, may vote electronically during the AGM using their unique token number.
  - 8.4 Shareholders participating in the AGM by dialing as set out in note 1 above, may dial USSD code **[\*899\*3#]** to cast their votes. Further assistance on accessing the meeting and voting electronically can be found on **www.guinnessghanaagm.com**.



## Chairman's Statement

### INTRODUCTION

Nananom, cherished shareholders, invited partners, ladies, and gentlemen, on behalf of the Board of Directors of this great company, I warmly welcome all of you to the 49<sup>th</sup> Annual General Meeting (AGM) of your business - Guinness Ghana Breweries Plc. I am honored to be presenting my fourth Chairman's Statement to you.

As your Chairman, I have committed to continuously working with the rest of the board governed by the following key principles.

- ensuring sustainable performance and value creation for your company (i.e. delivering on our strategic priorities);
- ensuring that we maintain our best-in-class corporate governance structures and behaviors; and
- proactively engaging our stakeholders, especially our communities, staff, distributors, and consumers.

### COVID-19 IMPACT

As you may recall, last year, due to the impact of COVID-19, for the first time in our history, we held a virtual AGM. At the time I am sure we all believed that we would have moved on from the terrible effects of the pandemic by the following AGM, however its continuing impact remains evident to us all. Over the period following from the first recorded case in Ghana, the pandemic directives including lockdowns and bar closures, affected many businesses including ours. Being a stakeholder in the hospitality, tourism and entertainment sectors, our business operations were greatly impacted, however, at the start of our F21 financial year, with the easing of some restrictions and with great agility and resilience shown by our sales team, our trade began to pick up once more.

I believe the fight against COVID-19 is far from over; we continue to come to terms with the Delta variant. As a business, we are committed to ensuring that employees of your great company continue to operate in a safe environment. We have already introduced flexible working regimes and a phased return to office calendar. COVID-19 protocols have been put in place across our sites and also for employees in trade. It is my hope that we will all continue to observe the protocols, stay safe and emerge stronger from this pandemic.

### BOARD CHANGES

Over the last financial year, we witnessed some changes to the Board membership. Hina Nagarajan, who was the Managing Director for Diageo's Africa Emerging Markets (AEM) and a member of the Board, stepped down from her AEM role to take on the position



## Chairman's Statement (Continued)

of CEO at Diageo India. It was sad to see her go but we are incredibly proud of her new appointment and wish her all the best for the future. Hina's successor, Andrew Cowan, was appointed onto the Board in February 2021 and joined the Nominations Committee.

Andrew is an established business leader, with a wide range of commercial and strategic management experience spanning over twenty years in the FMCG sector, thirteen of which have been spent in a variety of leadership roles within Diageo including his immediate past role as Group Managing Director for East Africa Breweries Limited (EABL) for four and a half years.

During the year, we also saw the departure of Isaac Tosu, who was appointed to the Board in 2018. Mr. Tosu, who was the Supply Director at Guinness Ghana joined Guinness Nigeria in January 2021 as their Supply Chain Director. His replacement, Ms Ngozi Aghomi, joins us from our sister company Guinness Nigeria Plc, and was appointed to the Board in February 2021 and brings with her several years of complex supply chain experience gained previous roles in Kimberly-Clark SSA and Nestlé.

Nananom, cherished shareholders, ladies and gentlemen, despite the uncertainty we have faced in the last 12 months, I am proud to say your company witnessed significant positive strides. May I crave your indulgence and your kind permission to provide the key highlights:

## SUSTAINABLE PERFORMANCE AND VALUE CREATION

### ▪ Macro-economic indicators

The Ghanaian economy coupled with COVID-19 pandemic had significantly curtailed economic growth momentum. Real GDP growth was estimated to decelerate from 6.5% in 2019 to 1.7% in 2020, due to the slump in oil prices and weakened global economic activity. The economic outlook is good in the short to medium term, contingent on an increase in demand for Ghana's exports, improved business confidence, and successful implementation of the Ghana COVID-19 Alleviation and Revitalization of Enterprise Support program. Growth is projected to increase to 4% in 2021 and 4.1% in 2022. Inflation is expected to ease to 8.2% in 2021 and 8%, in 2022—in the midpoint of the Bank of Ghana's target band of 6%–10%. The fiscal deficit is projected to narrow to 7.2% in 2021 and 5.7% in 2022, driven by an expected increase in revenue collection in a recovering economy. However, the current account deficit is expected to widen to 2.8% of GDP in 2021 and 3.2% in 2022 as import volumes resume their pre-pandemic levels.

### ▪ Business Performance

Guinness Ghana delivered a very strong performance in the year, growing sales by 31% and operating profit by a remarkable 183%. The gradual ease on COVID-19 restrictions, followed by vaccine rollout programs culminated in recovery of on-trade, bringing performance to exceed pre-COVID levels. In F21, a strong topline increase was driven by Guinness and Malta volume growth as we benefitted from our strong brand equity and capex investment in our first local canning line and second PET line. Additionally, our pricing strategy allowed for price leadership on these key brands, resulting in favorable revenue gearing which complemented our rigorous productivity agenda.

### ▪ Market Share wins

Guinness Ghana continued to strengthen its leadership of the market with the combined value share gain of +0.5% across Beer, Ready to Drink (RTD) and Malt to close F21 at 59.2% share. This was driven by volume gains across Guinness FES, Heineken and Ready to Drink (RTDs) brands and the continued success of the Link Up 2.0 campaign and our customer loyalty programme Yen Nyin Mbom.

### • Dividends

Nananom, shareholders, ladies and gentlemen, after a very challenging F20, I am delighted to be able to announce that after the company's impressive performance this year, we are able to put forward for your consideration and approval a dividend proposal of GH¢25 million (GH¢0.08 per share), which is a significant increase versus last year.

## ENSURING EXCELLENCE IN GOVERNANCE

Nananom, Shareholders, Ladies and Gentlemen, Guinness Ghana is committed to achieving the highest standards of corporate governance, corporate responsibility, and risk management in the conduct of our business. It is especially important during such a volatile period as we have experienced since the onset of the pandemic.

Thus, in the year under review, all aspects of your company's operations were conducted in compliance with applicable laws and regulations and the company's code of business conduct and other related policies. Quarterly board meetings and audit meetings were held, and the nominations committee also met twice. The directors underwent capacity training and are well versed in their responsibilities under the law of Ghana. The company's key risk matrix was reviewed regularly by the board and the annual Code of Conduct training was successfully completed by the employees of the business. I am also happy to inform you that our internal audit, a comprehensive assurance audit of the company's controls was a success.

## Chairman's Statement (Continued)

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### ENGAGEMENT WITH OUR COMMUNITIES

Nananom, Shareholders, ladies and gentlemen, last year, we began the inclusion of a full report of our sustainability projects in our annual report and financial statements. This year, we have detailed this report yet again to give you an in-depth overview of what transpired over the year rather than the usual highlights. Despite the impact of COVID-19, we continue to be proud of our contributions and achievements within the communities in which we operate, source, and sell.

I am happy to let you know that our business has aligned to Diageo's 2030: Spirit of Progress agenda announced in November 2020. This is a 10-year plan to create a more sustainable and inclusive world. Please read more in the "Sustainability" section of our annual report on the new sustainability strategy which encompasses our work in promoting positive drinking, championing diversity and inclusion, accelerating to a low carbon world, preserving water of life, becoming sustainable by design and doing business the right way.

Let me note that by reason of due diligence of the Board and the work of the board committees, we are committed to ensuring the sustainability of the company through a robust corporate governance framework.

### AWARDS

In F21, I am happy to announce that our quest to become the best performing, most trusted and respected consumer goods company in Ghana, is also being recognised by various awards programmes. During the financial year, we won the following awards at the Africa Human Resources Innovation Awards (AHRIA):

- HR Innovation of The Year: Consumer Goods
- Excellence In Women Empowerment Strategy
- HR Team of the Year: Bronze

Our Acting HR Director, Audrey Achaw was also adjudged Emerging HR Professional of the Year and our former Managing Director, Gavin Pike was also honored with the Most People Focused CEO of the Year: Private Sector.

Furthermore, at the 5<sup>th</sup> Edition of the Ghana Beverage Awards, our business and brands were recognised among our peers in the following categories:

- International Beer of the Year: Heineken
- International Liqueur of the Year: Baileys Irish Cream
- Beer of the Year: ABC Golden Lager Beer
- Cider/ RTD of the Year: Orijin Beer

### LOOKING FORWARD

As we look ahead into another fulfilling financial year, I would like to congratulate the entire management and staff for delivering such a high performance in F21 despite the impact of COVID-19 and its related variants. Your passion and enthusiasm remain the driving force of the Guinness Ghana family.

Despite the severe impact on COVID on the global DIAGEO business, Guinness Ghana has exceeded all expectations. It is testament to the strong spirit of collaboration, curiosity, and winning attitude that runs through the company. With the strong leadership shown by Helene and the rest of the leadership team of the business, I have no doubt about achieving even far greater heights in F22. With the refreshing innovations like Smirnoff Chocolate and Baileys Delight that we are rolling out; the super charged pan African campaigns like Black Shines brightest; our drive at simplification of our processes and business operations; I remain eternally optimistic about the health of the Business.

Our sustainability efforts which we continue to pursue such as our responsible drinking campaigns, our water projects across the country and our local raw material sourcing projects continue to fill me with much conviction. We continue to empower lives and inspire others to take the lead in their various communities. We remain an employer of choice and through our progressive portrayal campaign, remain at the forefront of driving inclusion and diversity in our business.

I am convinced the team is ready.

I am convinced we will Take The Lead in F22.

Thank you.



NEW

# GHANAIAAN SPIRIT CHOCOLATE FLAVOUR



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## Report of The Directors

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The directors, in submitting to the shareholders their report and financial statements of the Company for the year ended 30 June 2021, report as follows:

### STATEMENT OF DIRECTORS RESPONSIBILITIES

The directors are responsible for the preparation of financial statements for each financial year which give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss and cash flows for that period. In preparing these financial statements, the directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent and followed International Financial Reporting Standards (IFRS) and complied with the requirements of the Companies Act, 2019 (Act 992).

The directors are responsible for ensuring that the Company keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company. The directors are also responsible for safeguarding the assets of the Company and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern.

### FINANCIAL STATEMENTS AND DIVIDEND

The results for the year are as set out in the statement of comprehensive income on page 16 of the financial statements.

The directors recommend the payment of a dividend per share of GH¢0.08 amounting to GH¢25 million for the year ended 30 June 2021. (2020: GH¢0.0138 per share amounting to GH¢4.24 million).

The directors consider the state of the Company's affairs to be satisfactory.

### NATURE OF BUSINESS

The Company manufactures, distributes and sells alcoholic and non-alcoholic beverages and their ancillary products.

### HOLDING COMPANY

The Company is a subsidiary of Diageo Holdings Netherlands B.V., a company incorporated in the Netherlands. The ultimate parent company is Diageo Plc, a company incorporated in the United Kingdom.

### CHANGES IN DIRECTORSHIP

Since the last Annual General Meeting, Mr. Isaac Amedzeafe Tosu has resigned as a director and Ms. Ngozi Aghomi has been appointed to replace him accordingly. Ms. Hina Nagarajan has resigned as director and Mr. Andrew Cowan has been appointed as director to replace her.

### DIRECTORS RETIRING AND SEEKING RE-ELECTION

In accordance with the Companies Act, 2019 (Act 992), the Company's Constitution and Ghana Stock Exchange Rules, Ms. Ngozi Aghomi and Mr. Andrew Cowan who were appointed in February 2021, and Mr. Kofi Sekyere will all retire and seek re-election at the next Annual General Meeting. The Board would like to recommend that shareholders support their re-election.

### CAPACITY BUILDING OF DIRECTORS

Keeping the board up to date with the latest developments in corporate governance and refreshing awareness around existing areas of interest is key in delivering an effective and impactful board. In line with the requirements of the Companies Act, 2019 (Act 992) and the Securities Exchange Commission's Corporate Code of Governance for Listed Companies 2020 (SEC Code), an intense training session was carried out for the directors focusing on the statutory and common law requirements for director's duties and best practice. The highly engaging and informative session was conducted by Board Chair, Felix Addo and supported by Suzannè Butah, the Company Secretary. The directors were taken through their legal duties as board of directors as set out in the new SEC Code and are well prepared to carry out their roles and responsibilities of Guinness Ghana Breweries Plc.

## Report of the Directors (Continued)

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### AUDITOR'S REMUNERATION

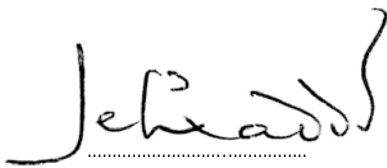
Audit fee for the year ended 30 June 2021 amount to GH¢272,914.

### DIRECTORS' INTEREST REGISTER

There were no declarations of interest made in the directors' interests register during the financial year.

### CORPORATE SOCIAL RESPONSIBILITY

During the fiscal year, a total of GH¢617,242 was invested into our Diageo in Society (DiS) initiatives which cover our Alcohol in Society (AiS) programmes and also our Sustainability initiatives.



CHAIRMAN  
FELIX ADDO



FINANCE DIRECTOR  
TEYE MKUSHI

Date: 29 September, 2021

# Independent Auditor's Report

To the Members of Guinness Ghana Breweries Plc

## Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Guinness Ghana Breweries Plc (the "Company") as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992).

## What we have audited

We have audited the financial statements of Guinness Ghana Breweries Plc for the year ended 30 June 2021.

The financial statements comprise:

- the statement of financial position as at 30 June 2021;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code) issued by the International Ethics Standards Board for Accountants and the independence requirements of section 143 of the Companies Act, 2019 (Act 992) that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the Company's financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>Loss allowance on trade and other receivables of GH¢5.97 million</b></p> <p>As at 30 June 2021, trade and other receivables amounted to GH¢51.80 million after providing for loss allowance of GH¢ 5.97 million.</p> <p>Management applies the simplified approach (provision matrix) to providing for expected credit losses (ECL), which requires the use of lifetime expected credit loss allowance.</p> <p>In applying the provision matrix, management estimates the ultimate write offs for a defined population of trade and other receivables, grouped according to type of customer. A loss ratio is calculated by applying the historic write offs to the payment profile of the population</p>	<p>We evaluated the design and tested the operating effectiveness of controls around the revenue and receivables cycle (order to cash process).</p> <p>We tested the ageing analysis of trade and other receivables to assess their appropriate classification.</p> <p>We agreed inputs in the ECL calculation to historical data and macroeconomic data.</p>



Independent Auditor's Report To the Members of Guinness Ghana Breweries Plc (continued)

Key audit matter	How our audit addressed the key audit matter
<p>Management exercises significant judgements in the definition of default, period selected in assessing historical loss rates and the selection of forward-looking information such as interest rates, exchange rates and inflation. Management makes assumptions on the weights to apply in adjusting loss rates with forward looking information.</p> <p>The accounting policies, significant judgements and disclosures are set out in notes 2b, 3d, 15, 16 and 28 of the financial statements.</p>	<p>We assessed the appropriateness of assumptions and judgements made by management around the definition of default, the nature of forward-looking information (interest rates, exchange rates and inflation), the weights assumed in adjusting loss rates with forward looking information and the period used in assessing the historical loss rates.</p> <p>We assessed the adequacy of the loss allowance by applying loss rates to outstanding receivable balances per customer grouping.</p> <p>We assessed the appropriateness and adequacy of the related disclosures made in the financial statements.</p>
<p><b>Lease liabilities amounting to GH¢39.44 million on the statement of financial position</b></p> <p>The Company leases residential property, warehouses, coolers and vehicles from various lessors.</p> <p>Management exercised judgement in determining the lease term, where extension or termination options existed. In such instances, any economic incentive to retain or end a lease were considered and extension periods were only included when it was considered reasonably certain that an option to extend a lease would be exercised</p> <p>Management also exercised judgement in determining the incremental borrowing rate.</p> <p>The accounting policies, significant judgements and disclosures are set out in notes 2d, 3e and 21 of the financial statements.</p>	<p>We assessed the design of management's lease model and tested the quality of the observable data used such as lease commencement and end data, frequency of payments and minimum lease payments.</p> <p>We assessed the reasonableness and appropriateness of judgements and assumptions made in determining if an option to extend a lease term will be exercised.</p> <p>We assessed the appropriateness of management's incremental borrowing rate and agreed to observable data.</p> <p>We assessed the appropriateness and adequacy of the related disclosures made in the financial statements.</p>

### Other information

The directors are responsible for the other information. The other information comprises Corporate Information, Chairman's Statement, Report of the Directors, Shareholder Information and Five Year Financial Summary but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Sustainability Report which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above

and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Sustainability Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## Independent Auditor's Report To the Members of Guinness Ghana Breweries Plc (continued)

### Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose

of expressing an opinion on the effectiveness of the Company's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and have communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report To the Members of Guinness Ghana Breweries Plc (continued)

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**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

The Companies Act, 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. in our opinion proper books of account have been kept by the Company, so far as appears from our examination of those books; and
- iii. the Company's statement of financial position and the Company's statement of comprehensive income are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is Michael Asiedu-Antwi (ICAG/P/1138).



PricewaterhouseCoopers (ICAG/F/2021/028)

Chartered Accountants

Accra, Ghana

29 September 2021





## Statement of Comprehensive Income

		Year ended 30 June	
		2021	2020
	Note	GH¢'000	GH¢'000
Revenue from contracts with customers	6	1,104,436	840,349
Cost of sales	7	(786,876)	(652,520)
<b>Gross profit</b>		<b>317,560</b>	187,829
Advertising and marketing expenses	8 (i)	(81,270)	(23,553)
Administrative expenses	8 (ii)	(81,216)	(89,023)
Other expenses	8 (iii)	(33,118)	(28,475)
Impairment release/(charge) on financial assets	8 (iv)	145	(3,568)
<b>Profit from operating activities</b>		<b>122,101</b>	43,210
Finance income	9	610	285
Finance costs	9	(21,743)	(23,345)
<b>Profit before income tax</b>		<b>100,968</b>	20,150
Income tax expense	10 (i)	(24,393)	(6,985)
National fiscal stabilisation levy	10 (iii)	(5,048)	(1,008)
<b>Profit for the year</b>		<b>71,527</b>	12,157
<b>Other comprehensive income</b>			
<i>Items that are not subsequently reclassified to profit or loss:</i>			
Actuarial (loss)/gain on defined benefit obligations, net of tax		(118)	335
Other comprehensive income		(118)	335
<b>Total comprehensive income for the year</b>		<b>71,409</b>	12,492
Basic earnings per share	25	0.233	0.040
Diluted earnings per share	25	0.233	0.040

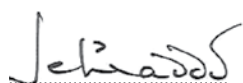
The notes on pages 22-53 form an integral part of these financial statements.

## Statement of Financial Position

		As at 30 June	
		2021	2020
		GH¢'000	GH¢'000
<b>ASSETS</b>	Note		
Property, plant and equipment	11	540,698	476,247
Intangible assets	12	915	1,611
Right-of-use assets	13	42,987	47,641
<b>Total non-current assets</b>		<b>584,600</b>	525,499
Inventories	14	187,973	117,966
Trade receivables	15	51,305	25,237
Amounts due from related parties	17 (i)	2,932	4,472
Other assets	18	3,525	2,413
Other financial assets at amortised cost	16	505	820
Current income tax assets	10 (ii)	5,971	4,753
Cash and bank balances	19	46,424	39,563
<b>Total current assets</b>		<b>298,635</b>	195,224
<b>Total assets</b>		<b>883,235</b>	720,723
<b>EQUITY AND LIABILITIES</b>			
Stated capital	20	272,879	272,879
Retained earnings		98,955	31,759
<b>Total equity</b>		<b>371,834</b>	304,638
Deferred tax liabilities	10 (v)	30,203	29,146
Lease liabilities	21	29,571	29,871
Borrowings	17 (iii)	108,825	109,253
Employee benefit obligations	22	3,931	3,423
<b>Total non-current liabilities</b>		<b>172,530</b>	171,693
Bank overdrafts	23	28,942	47,772
Lease liabilities	21	9,870	6,138
Trade and other payables	24	275,952	171,451
Amounts due to related parties	17 (ii)	24,107	19,031
<b>Total current liabilities</b>		<b>338,871</b>	244,392
<b>Total liabilities</b>		<b>511,401</b>	416,085
<b>Total equity and liabilities</b>		<b>883,235</b>	720,723

The notes on pages 22-53 form an integral part of these financial statements.

The financial statements on pages 16 – 53 were approved by the Board of Directors on 29 September, 2021 and signed on their behalf by:



Felix Addo (Chairman)



Teye Mkushi (Finance Director)

## Statement of Changes in Equity

	Note	Stated capital	Retained earnings	Total
Year ended 30 June 2021		GH¢'000	GH¢'000	GH¢'000
Balance at 1 July 2020		272,879	31,759	304,638
Profit for the year		—	71,527	71,527
Other comprehensive income				—
Actuarial loss on defined benefit obligation, net of tax	10(v)(b)	—	(118)	(118)
Total comprehensive income for the year		—	71,409	71,409
Transactions with owners:				
Dividends declared for 2020		—	(4,213)	(4,213)
Balance at 30 June 2021		272,879	98,955	371,834
<b>Year ended 30 June 2020</b>				
Balance at 1 July 2019		272,879	28,280	301,159
Profit for the year		—	12,157	12,157
Other comprehensive income				
Actuarial gain on defined benefit obligation, net of tax	10(v)(b)	—	335	335
Total comprehensive income for the year		—	12,492	12,492
Transactions with owners:				
Dividends declared for 2019		—	(9,013)	(9,013)
Balance at 30 June 2020		272,879	31,759	304,638

The notes on pages 22-53 form an integral part of these financial statements.



## Statement of Cash Flows

		Year ended 30 June	
		2021	2020
	Note	GH¢'000	GH¢'000
<b>Cash flows from operating activities</b>			
<b>Profit before income tax</b>		<b>100,968</b>	20,150
<i>Adjustments for:</i>			
▪ Depreciation of property, plant and equipment	11	<b>47,687</b>	53,570
▪ Depreciation of right-of-use assets	13	<b>14,152</b>	13,142
▪ Amortisation of intangible assets	12	<b>696</b>	1,105
▪ Impact of lease remeasurement	13	<b>153</b>	—
▪ Loss/(profit) on disposal of property, plant and equipment	11(b)	<b>4,770</b>	(648)
▪ Loss on disposal of right-of-use assets	13	<b>196</b>	363
▪ Impairment (release)/charge	8(iv)	<b>(145)</b>	3,568
▪ Finance costs	9	<b>21,743</b>	23,345
▪ Finance income	9	<b>(610)</b>	(285)
▪ Actuarial loss/(gain) on long service awards	22	<b>36</b>	(245)
▪ Unrealised exchange differences		<b>5,172</b>	5,878
		<b>194,818</b>	119,943
<i>Changes in:</i>			
▪ Inventories		<b>(70,007)</b>	158
▪ Trade and other receivables		<b>(25,888)</b>	13,832
▪ Trade and other payables		<b>101,984</b>	6,488
▪ Related party balances		<b>5,277</b>	14,772
▪ Employee benefit obligations		<b>322</b>	836
▪ Provisions		<b>—</b>	(763)
▪ Other assets		<b>(1,112)</b>	2,642
▪ Other financial assets at amortised cost		<b>315</b>	532
<b>Cash generated from operating activities</b>		<b>205,709</b>	158,440
▪ Interest paid		<b>(22,171)</b>	(23,405)
▪ Income tax paid	10(ii)	<b>(24,522)</b>	(8,038)
▪ National fiscal stabilisation levy paid	10(iii)	<b>(5,325)</b>	(1,494)
<b>Net cash generated from operating activities</b>		<b>153,691</b>	125,503
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	11(a)	<b>(116,908)</b>	(135,491)
Proceeds from disposal of property, plant and equipment	11(b)	<b>—</b>	741
Interest received	9	<b>610</b>	285
<b>Net cash used in investing activities</b>		<b>(116,298)</b>	(134,465)

## Statement of Cash Flows (continued)



		Year ended 30 June	
		2021	2020
	Note	GH¢'000	GH¢'000
<b>Cash flows from financing activities</b>			
Repayment of principal portion of lease liabilities	21	(6,415)	(16,906)
Dividend paid		(4,213)	(9,013)
<b>Net cash used in financing activities</b>		<b>(10,628)</b>	(25,919)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>26,765</b>	(34,881)
Cash and cash equivalents at 1 July		(8,209)	24,518
Effect of movements in exchange rates on cash held		(1,074)	2,154
<b>Cash and cash equivalents at 30 June</b>	19	<b>17,482</b>	(8,209)

The notes on pages 22-53 form an integral part of these financial statements.

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# Notes to the Financial Statements

For the year ended 30 June 2021

## 1. GENERAL INFORMATION

Guinness Ghana Breweries Plc is a public limited liability company and listed on the Ghana Stock Exchange. It is registered and domiciled in Ghana. The registered office is located at Industrial Area, Kaasi. The Company is primarily involved in the manufacture and distribution of alcoholic and non-alcoholic beverages and other ancillary products.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted by the Company in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

### a) Basis of preparation

#### (i) Compliance with IFRS

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 2019 (Act 992). The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS.

#### (ii) Historical cost convention

The financial statements have been prepared under the historical cost convention except for employee benefit obligations measured at fair value.

#### (iii) Going concern

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern for at least twelve months from the date of this statement. The financial statements have been prepared on a going concern basis.

#### (iv) New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for the annual reporting period commencing 1 July 2020:

- Definition of Material – amendments to IAS 1 and IAS 8
- Interest Rate Benchmark Reform – amendments to IFRS 9, IAS 39 and IFRS 7
- Revised Conceptual Framework for Financial Reporting
- Covid-19-related Rent Concessions – Amendments to IFRS 16

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

#### (v) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for June 2021 reporting periods and have not been early adopted by the Company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

#### (vi) Early adoption of standards

The Company did not early adopt new or amended standards in the year.

### b) Financial instruments

Financial assets and liabilities are recognised by the Company when it becomes a party to the contractual provisions of the instruments.

All financial assets and liabilities are initially measured at fair value, including transaction costs except for those classified as at fair value through profit or loss which are initially measured at fair value, excluding transaction costs. There are no financial assets at fair value through profit or loss.

#### Classification

The Company classifies its financial instruments into the following measurement categories:

- Financial assets at amortised cost, and
- Financial liabilities at amortised cost.



## Notes to the Financial Statements (Continued)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### b) Financial instruments (continued)

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

##### **Financial assets**

The Company classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

##### *Recognition and derecognition*

Financial assets are initially recognised at fair value, plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

##### *Subsequent measurement*

The Company holds financial assets with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Trade receivables, cash and bank balances, amounts due from related parties and other financial assets are classified as financial assets at amortised cost.

##### *Reclassification*

The Company shall reclassify all affected financial assets only when the entity changes its business model for managing financial assets in accordance with the reclassification provisions of IFRS 9.

##### *Impairment*

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost. The Company applies the simplified approach permitted by IFRS 9, for assessment on trade receivables, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an

event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

##### **Financial liabilities**

Financial liabilities comprise trade and other payables, bank overdrafts, borrowings and other non-current liabilities (excluding provisions). All financial liabilities are subsequently measured at amortised cost using the effective interest method.

#### c) Foreign currency translation

##### *(i) Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Ghana Cedis ("GH¢") which is the Company's functional currency.

##### *(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in the profit or loss within 'other income' or 'other expenses'.

#### **d) Leases**

##### ***Leases under which the Company is the lessee***

The Company leases warehouses, equipment, and vehicles. Contracts are typically made for fixed periods of 6 months to 8 years but may have extension options.

For any new contracts entered into on or after 1 July 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company;

## Notes to the Financial Statements (Continued)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### d) Leases (continued)

- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Company has the right to direct the use of the identified asset throughout the period of use.

The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

#### *Measurement and recognition*

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). The Company depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit or loss if the right-of-use asset is already reduced to zero. The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

The Company has leases for mainly warehouses, vehicles, chillers and residential properties for certain staff. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability.

Leases of warehouses are generally limited to a lease term of 10 years. Leases of property generally have a lease term ranging from 2 years to 3 years. Lease term of chillers is 6 years and that of vehicles is 4 years.

Lease payments are generally fixed. The rentals for certain leases are denominated in US dollars.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security.

#### e) Property, plant and equipment

##### *(i) Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components).

##### *(ii) Subsequent costs*

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss, as incurred.

Spare parts, stand-by and servicing equipment held by the Company generally are classified as inventories. However, if major spare parts and stand-by equipment are expected to be used for more than one period or can be used only in connection with an item of property, plant and equipment, then they are classified as property, plant and equipment.

## Notes to the Financial Statements (Continued)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### e) Property, plant and equipment (continued)

The Company derecognises the carrying amount of a part of an item of property, plant and equipment if that part has been replaced and the company has included the cost of the replacement in the carrying amount of the item.

##### (iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives. Leaseholds are depreciated over the lower of the unexpired period and the useful life of the leasehold.

The estimated useful lives for the current and comparative periods are as follows:

Buildings	over period up to 50 years
Plant and machinery	8 years to 25 years
Motor vehicles	3 years to 5 years
Furniture and equipment	3 years to 8 years
Bottles and crates	5 years to 10 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds from disposal with the carrying amounts of property, plant and equipment and are recognised in profit or loss.

##### (iv) Capital work in progress

Property, plant and equipment under construction is stated at initial cost and depreciated from the date the asset is made available for use over its estimated useful life. Assets are transferred from capital work in progress to an appropriate category of property, plant and equipment when commissioned and ready for its intended use.

#### f) Intangible assets

##### Software

Software acquired is stated at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is recognised in profit or loss on a straight line basis over the estimated useful life of the software from the date it is available for use. The estimated useful life for software is 5 to 12 years. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

#### g) Impairment of non-financial assets

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

#### h) Inventories

Inventories are measured at lower of cost and net realisable value using the weighted average cost principle. The cost of inventories includes expenditure incurred in acquiring inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling expenses. Inventories are stated at the lower of cost and net realisable value less allowance for obsolescence and slow-moving items.

#### i) Employee benefits

##### (a) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

##### (b) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Obligations for contributions to defined contribution schemes are recognised as an expense in profit or loss in periods during which services are rendered by employees.

## Notes to the Financial Statements (Continued)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### i) Employee benefits (continued)

##### *Tier 1 and Tier 2 contributions*

Under a national pension scheme, the Company contributes 13% of employee's basic salary for employee pensions whereas the employee contributes 5.5% of basic salary. The Company's obligation is limited to the relevant contributions, which have been recognised in the financial statements. The national pension scheme is made up of two mandatory tiers. The first tier which receives 13.5% of the total contribution is managed by the Social Security and National Insurance Trust (SSNIT) whereas the second tier which receives 5% of total contribution is managed by a private trustee. The pension liabilities and obligations for these contributions rest with SSNIT and the private trustee.

##### *Tier 3 - Provident Fund*

The Company has a voluntary Tier 3 provident fund scheme for staff to which the Company contributes 10% and 15% of the basic salaries of the senior staff and 12% for junior staff. Obligations under the plan are limited to the relevant contributions, which are charged to profit or loss as and when they fall due.

##### *(c) Defined benefit plans*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liabilities of the Company arising from defined benefit obligations and related current service costs are determined on an actuarial basis using the projected unit of credit method. The Company uses this method to determine the present value of defined benefit obligations, related current service costs and, where applicable, past service costs. Actuarial gains and losses, which arise mainly from changes in actuarial assumptions and differences between actuarial assumptions and what actually occurred, are recognised immediately in other comprehensive income.

The Company determines the net interest expense on the net defined benefits liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then – defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefits payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

##### *(d) Other long-term benefit*

The Company's obligation in respect of long-term employee benefits (long service award) other than pension plans is the

amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value.

The discount rate used is the rate on long dated Government of Ghana bonds. The calculation is performed using the projected unit credit method. Any actuarial gains and losses are recognised in profit or loss.

#### j) Revenue from contracts with customers

Revenue from contract with customers is recognised as or when performance obligations are satisfied by transferring control of a good or service to the customer. Transfer of control of goods occurs at the time of delivery. The Company's revenue is the net consideration to which it expects to be entitled, net of returns, trade discounts, value added tax and volume rebates.

Revenue is recognised to the extent that it is highly probable that a significant reversal will not occur.

Generally, payment of the transaction price is due within credit period of between 14 to 30 days with no element of financing.

#### k) Finance income and finance costs

Finance income comprises interest income on funds invested or held in bank accounts. Interest income is recognised in profit or loss using the effective interest method.

Finance costs comprise interest expense on borrowings and on leases. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

#### l) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.



## Notes to the Financial Statements (Continued)

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### m) Current and deferred income tax

Tax expense comprises current and deferred income tax. The Company provides for income taxes at current tax rates on the taxable profits of the Company.

Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects either accounting nor taxable profit or loss.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

#### n) Dividend

Dividend payable is recognised as a liability in the period in which they are declared and the shareholders right to receive payment has been established.

#### o) Provisions

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required

to settle obligation, and amount can be reliably estimated. Provisions are determined by discounting expected future cash flows at pre-tax rates that reflect current market assessments of the time value of money and, where appropriate, risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### p) Segment reporting

Operating segments reflect the Company's management structure and the way financial information is regularly reviewed by the Chief Operating Decision Maker (CODM). Operating segments are reported in a manner consistent with internal reporting provided to the CODM.

The Company operates business units dealing in spirits, alcoholic and non-alcoholic beverages.

#### q) Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

#### r) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown as a separate line on the face of the statement of financial position.

#### s) Stated capital

Proceeds from issue of ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects are recognised as a deduction from equity.

## Notes to the Financial Statements (Continued)

### 3. CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

#### **a) Useful lives of property, plant and equipment**

Critical estimates are made by the directors in determining depreciation rates for property, plant and equipment. The rates used are set out in note 2(e).

#### **b) Income taxes**

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters are different from the amounts that were initially recorded, such differences will impact the current income tax and deferred income tax provisions in the period in which such determination is made.

#### **c) Estimation of defined benefit obligations**

The present value of employee benefit obligations depends on factors that are determined on an actuarial basis using assumptions. Any changes in these assumptions will impact the carrying amount of the defined benefit obligations.

Additional information is set out in note 22.

#### **d) Impairment of financial assets at amortised cost**

To measure expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on payment profile of sales over a 36 month period and the corresponding historical credit losses experienced within the period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic indicators affecting the ability of customers to settle outstanding receivables. Additional information is set out in note 28(i).

The Company applies the IFRS 9 simplified approach to measure expected credit losses, which uses a lifetime, expected loss allowance for all trade receivables. Management exercises significant judgement in the input, assumptions, and

techniques for estimating expected credit loss, default and unpaid assets. Additional information is disclosed in note 28(i).

#### **e) Lease liabilities**

To determine the lease term, where extension or termination options exists, any economic incentive to retain or end a lease are considered and extension periods are only included when it is considered reasonably certain that an option to extend a lease will be exercised. The Company also exercised judgement in determining the incremental borrowing rate, which is the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

### 4. DETERMINATION OF FAIR VALUES

The Company considers that the carrying values of cash and cash equivalents, trade receivables, trade and other payables approximate their fair values due to their short-term nature. The determination of fair values at initial recognition for Borrowings and Leases are set out in notes 17 (iii) and 21.

The Company considers that the recognised assets and liabilities are at Level 3 (that is, one or more of the significant inputs is not based on observable market data) in the fair value hierarchy as disclosed in note 27.

### 5. OPERATING SEGMENTS

Management has determined the operating segments based on the reports reviewed by the executive committee of Diageo Plc, the Chief Operating Decision Maker (CODM) that are used to make strategic decisions. The CODM considers the business from a product perspective and assesses the performance of the operating segments based on net sales value. The accounting policies of the operating segments are the same. The Company's reporting segments are based on products, namely spirits, alcoholic and non-alcoholic beverages.

## Notes to the Financial Statements (Continued)

### 5. OPERATING SEGMENTS (continued)

	Alcoholic Beverages		Non-Alcoholic Beverages		Spirits		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Revenue from external customers within Ghana	526,199	396,894	492,176	391,429	85,633	50,404	1,104,008	838,727
Revenue from external customers outside Ghana					428	1,622	428	1,622
Total External Revenue	526,199	396,894	492,176	391,429	86,061	52,026	1,104,436	840,349
Depreciation and amortisation		—		—		—	(62,535)	(67,817)
Operating cost							(919,800)	(729,322)
Operating profit		—		—		—	122,101	43,210
Finance income		—		—		—	610	285
Finance cost		—		—		—	(21,743)	(23,345)
Profit before income tax		—		—		—	100,968	20,150
Taxes and levies		—		—		—	(29,441)	(7,993)
Profit for the year		—		—		—	71,527	12,157
Non-current assets		—		—		—	584,600	525,499

No measure of total assets and liabilities are reviewed by the CODM. There are no non-current assets outside Ghana and the Company had no single major customer during the year.

### 6. REVENUE FROM CONTRACTS WITH CUSTOMERS

	2021	2020
	GH¢'000	GH¢'000
<b>Revenue recognised:</b>		
At a point in time	1,104,436	840,349
Gross sales	1,388,812	1,041,234
Taxes collected for government (Value Added Tax)	(217,107)	(161,399)
Volume discounts	(67,269)	(39,486)
<b>Net sales value</b>	<b>1,104,436</b>	<b>840,349</b>

The Company changed its accounting policy on revenue recognition during the year in respect of accounting for excise duty. Excise duty is now accounted for as a production cost rather than a deduction from gross sales to enhance management reporting. As a result of this change, net sales value and cost of sales are higher by GH¢ 129.7 million (2020: GH¢ 107.8 million). There is no impact on basic and diluted earnings per share as a result of this change.

## Notes to the Financial Statements (Continued)

### 7. COST OF SALES

	2021	2020
	GH¢'000	GH¢'000
Direct production costs	372,144	301,838
Production overheads	159,263	125,589
Depreciation expense (Note 11(a))	54,804	57,061
Excise duty	129,652	107,761
Other costs	71,013	60,271
	<b>786,876</b>	<b>652,520</b>

### 8. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	2021	2020
	GH¢'000	GH¢'000
<b>(i) Advertising and marketing expenses</b>		
Advertising and marketing expenses	80,298	19,670
Depreciation expense	972	3,883
	<b>81,270</b>	<b>23,553</b>

	2021	2020
	GH¢'000	GH¢'000
<b>(ii) Administrative expenses</b>		
Staff cost	58,069	46,879
Auditor's remuneration	273	259
Insurance	1,582	1,445
Office related expenses	5,635	13,252
Professional/consultancy costs	961	517
Communication costs	1,955	1,487
Depreciation expense (Note 11(a))	6,063	5,768
Amortisation charge (Note 12)	696	1,105
Directors remuneration and expenses	5,384	10,341
Other costs	598	7,970
	<b>81,216</b>	<b>89,023</b>

	2021	2020
	GH¢'000	GH¢'000
<b>(iii) Other expenses</b>		
Net foreign exchange loss	28,890	25,109
Sundry expenses	4,228	3,366
	<b>33,118</b>	<b>28,475</b>

## Notes to the Financial Statements (Continued)

### 8. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (continued)

(iv) Impairment (release)/charge on financial assets	2021	2020
	GH¢'000	GH¢'000
Charge for the year	—	4,953
Provision no longer required	(145)	(1,385)
	(145)	3,568

(v) Personnel costs	2021	2020
	GH¢'000	GH¢'000
Wages and salaries	58,115	49,983
Social security contributions	4,378	4,039
Contributions to provident fund	4,175	3,557
Defined benefit plan	5,513	6,726
Other staff expenses	18,248	19,609
	90,429	83,914

The total number of staff employed by the Company at 30 June 2021 was 548 (2020: 420).

Personnel costs is charged as follows:

	2021	2020
	GH¢'000	GH¢'000
Administrative expense (Note 8(ii))	58,069	46,879
Directors' remuneration and expenses	5,250	10,228
Included in cost of sales	27,110	26,807
	90,429	83,914

### 9. FINANCE INCOME AND COSTS

	2021	2020
	GH¢'000	GH¢'000
<b>Finance income</b>		
Interest income on bank accounts	610	285

	2021	2020
	GH¢'000	GH¢'000
<b>Finance costs</b>		
Interest expense on borrowings	15,032	16,113
Interest expense on lease liabilities	2,893	2,953
Interest expense on bank overdrafts	3,746	4,125
Other finance costs	72	154
	21,743	23,345



## Notes to the Financial Statements (Continued)

### 10. TAXES AND LEVIES

	2021	2020
	GH¢'000	GH¢'000
<b>(i) Income tax expense</b>		
Current income tax charge (Note 10(ii))	23,304	4,899
Deferred income tax charge (Note 10(v))	1,089	2,086
	24,393	6,985

#### (ii) Current income tax asset

Year ended 30 June 2021				
	Balance at 1 July	Payments during the year	Charge for the year	Balance at 30 June
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
<b>Years of assessment</b>				
Up to 2019	(1,614)	—	—	(1,614)
2020	(3,139)	—	—	(3,139)
2021	—	(24,522)	23,304	(1,218)
	(4,753)	(24,522)	23,304	(5,971)

Year ended 30 June 2020				
	Balance at 1 July	Payments during the year	Charge for the year	Balance at 30 June
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
<b>Years of assessment</b>				
Up to 2018	(3,024)	—	—	(3,024)
2019	1,410	—	—	1,410
2020	—	(8,038)	4,899	(3,139)
	(1,614)	(8,038)	4,899	(4,753)

#### iii) National fiscal stabilisation levy

The National fiscal stabilisation levy is a levy on profit before tax. The levy was introduced in July 2013 and has been extended to December 2024.

Year ended 30 June 2021				
	Balance at 1 July	Payments during the year	Charge for the year	Balance at 30 June
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
<b>Years of assessment</b>				
Up to 2020	(449)	—	—	(449)
2021	—	(5,325)	5,048	(277)
	(449)	(5,325)	5,048	(726)

## Notes to the Financial Statements (Continued)

### 10. TAXES AND LEVIES (continued)

Year ended 30 June 2020				
	Balance at 1 July	Payments during the year	Charge for the year	Balance at 30 June
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Up to 2019	37	—	—	37
2020	—	(1,494)	1,008	(486)
	37	(1,494)	1,008	(449)

Tax liabilities up to 2015 year of assessment has been agreed with the Ghana Revenue Authority.

#### (iv) Reconciliation of effective tax rate

	2021	2020
	GH¢'000	GH¢'000
<b>Profit before income tax</b>	<b>100,968</b>	20,150
Tax calculated using statutory income tax rate of 25% (2020: 25%)	<b>25,242</b>	5,038
Expenses not deductible for tax purposes	<b>2,838</b>	2,077
Items not subject to tax	—	(82)
Items taxed at different rate	<b>(3,757)</b>	(658)
Adjustment in respect of prior years	<b>70</b>	610
<b>Income tax expense</b>	<b>24,393</b>	6,985
<b>Effective tax rate</b>	<b>24 %</b>	35 %

#### (v) Recognised deferred tax assets and liabilities

	At 1 July (Net)	Charge to profit or loss	Recognised in OCI	At 30 June (Net)	Deferred tax assets	Deferred tax liabilities
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
<b>Year ended 30 June 2021</b>						
Property, plant and equipment	31,495	2,143	—	33,638	—	33,638
Provision for doubtful debts	(1,470)	179	—	(1,291)	(1,291)	—
Inventory provisions	(1,240)	456	—	(784)	(784)	—
Provision for employee benefit obligations	(482)	(368)	(32)	(882)	(882)	—
Restricted financial cost	(1,059)	1,059	—	—	—	—
Right-of-use assets	1,902	(2,380)	—	(478)	(478)	—
<b>Net deferred tax liabilities</b>	<b>29,146</b>	<b>1,089</b>	<b>(32)</b>	<b>30,203</b>	<b>(3,435)</b>	<b>33,638</b>

## Notes to the Financial Statements (Continued)

### 10. TAXES AND LEVIES (continued)

#### (v) Recognised deferred tax assets and liabilities (continued)

	At 1 July (Net) GH¢'000	Charge to profit or loss GH¢'000	Recognised in OCI GH¢'000	At 30 June (Net) GH¢'000	Deferred tax assets GH¢'000	Deferred tax liabilities GH¢'000
<b>Year ended 30 June 2020</b>						
Property, plant and equipment	28,872	2,623	—	31,495	—	31,495
Provision for doubtful debts	(781)	(689)	—	(1,470)	(1,470)	—
Inventory provisions	(571)	(669)	—	(1,240)	(1,240)	—
Provision for employee benefit obligations	(542)	(36)	96	(482)	(578)	96
Restricted financial cost	—	(1,059)	—	(1,059)	(1,059)	—
Right-of-use assets	—	1,902	—	1,902	—	1,902
Tax losses	(14)	14	—	—	—	—
Net deferred tax liabilities	26,964	2,086	96	29,146	(4,347)	33,493

#### (a) Movement in deferred tax balances

	2021 GH¢'000	2020 GH¢'000
Balance at 1 July	29,146	26,964
Charge for the year	1,089	2,086
Deferred tax on actuarial (loss)/gain in OCI	(32)	96
<b>Balance at 30 June</b>	<b>30,203</b>	29,146

#### (b) Amount recognised in Other Comprehensive Income

	2021			2020		
	Before tax	Tax credit	Net of tax	Before tax	Tax charge	Net of tax
Actuarial (loss)/gain on defined benefit liability	(150)	32	(118)	431	(96)	335

## Notes to the Financial Statements (Continued)

### 11. PROPERTY, PLANT AND EQUIPMENT

Year ended 30 June 2021							
	Buildings	Plant and Machinery	Motor Vehicles	Furniture and Equipment	Bottles and Crates	Capital Work in-Progress	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
<b>Cost</b>							
At 1 July 2020	58,185	421,973	331	8,492	214,072	71,954	<b>775,007</b>
Additions	2	11,439	—	—	14,171	91,296	<b>116,908</b>
Disposals/Write-off	(131)	(2,418)	—	(1,085)	(16,774)	—	<b>(20,408)</b>
Transfers	50	8,192	—	(1,175)	403	(7,470)	<b>—</b>
<b>At 30 June 2021</b>	<b>58,106</b>	<b>439,186</b>	<b>331</b>	<b>6,232</b>	<b>211,872</b>	<b>155,780</b>	<b>871,507</b>
<b>Accumulated depreciation</b>							
At 1 July 2020	8,464	160,565	331	3,839	125,561	—	<b>298,760</b>
Charge for the year	1,764	20,651	—	1,615	23,657	—	<b>47,687</b>
Released on disposals/write-off	(37)	(1,096)	—	(1,030)	(13,475)	—	<b>(15,638)</b>
<b>At 30 June 2021</b>	<b>10,191</b>	<b>180,120</b>	<b>331</b>	<b>4,424</b>	<b>135,743</b>	<b>—</b>	<b>330,809</b>
<b>Net book value</b>							
<b>At 30 June 2021</b>	<b>47,915</b>	<b>259,066</b>	<b>—</b>	<b>1,808</b>	<b>76,129</b>	<b>155,780</b>	<b>540,698</b>

Year ended 30 June 2020							
	Buildings	Plant and Machinery	Motor Vehicles	Furniture and Equipment	Bottles and Crates	Capital Work in-Progress	Total
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
At 1 July 2019	47,357	393,019	27,609	10,848	286,674	30,836	796,343
Transfers to right-of-use assets	—	(24,686)	(27,128)	—	—	—	(51,814)
Additions	—	292	—	—	—	135,199	135,491
Disposals/Write-off	—	(1,938)	(150)	(3,694)	(99,231)	—	(105,013)
Transfers	10,828	55,286	—	1,338	26,629	(94,081)	—
<b>At 30 June 2020</b>	<b>58,185</b>	<b>421,973</b>	<b>331</b>	<b>8,492</b>	<b>214,072</b>	<b>71,954</b>	<b>775,007</b>
<b>Accumulated depreciation</b>							
At 1 July 2019	6,951	150,897	16,255	6,087	197,498	—	377,688
Transfers to right-of-use assets	—	(11,803)	(15,775)	—	—	—	(27,578)
Charge for the year	1,513	23,347	—	1,415	27,295	—	53,570
Released on disposals/write-off	—	(1,876)	(149)	(3,663)	(99,232)	—	(104,920)
<b>At 30 June 2020</b>	<b>8,464</b>	<b>160,565</b>	<b>331</b>	<b>3,839</b>	<b>125,561</b>	<b>—</b>	<b>298,760</b>
<b>Net book value</b>							
<b>At 30 June 2020</b>	<b>49,721</b>	<b>261,408</b>	<b>—</b>	<b>4,653</b>	<b>88,511</b>	<b>71,954</b>	<b>476,247</b>



## Notes to the Financial Statements (Continued)

### 11. PROPERTY, PLANT AND EQUIPMENT (continued)

#### (a) Depreciation expense

Depreciation has been charged in the profit or loss as follows:

	2021	2020
	GH¢'000	GH¢'000
Cost of sales (Note 7)	54,804	57,061
Advertising and marketing expenses (Note 8(ii))	972	3,883
Administrative expenses (Note 8(ii))	6,063	5,768
	61,839	66,712
<b>Depreciation charge for the year</b>		
Property, plant and equipment (Note 11)	47,687	53,570
Right-of-use assets (Note 13)	14,152	13,142
	61,839	66,712

#### (b) Disposal of property, plant and equipment

Cost	20,408	105,013
Accumulated depreciation	(15,638)	(104,920)
Net book value	4,770	93
Proceeds on disposal	—	(741)
<b>Loss/(profit) on disposal</b>	4,770	(648)

### 12. INTANGIBLE ASSETS

	2021	2020
	GH¢'000	GH¢'000
<b>Year ended 30 June</b>		
<b>Cost</b>		
At 1 July	14,081	14,081
Write-off	(536)	—
<b>At 30 June</b>	13,545	14,081
<b>Accumulated amortisation</b>		
At 1 July	12,470	11,365
Charge for the year	696	1,105
Released on write-off	(536)	—
<b>At 30 June</b>	12,630	12,470
<b>Net book value</b>		
<b>At 30 June</b>	915	1,611

Amortisation of intangible assets is recognised in administrative expenses (Note 8 (iii)).

## Notes to the Financial Statements (Continued)

### 12. INTANGIBLE ASSETS (continued)

#### Security

As of 30 June 2021, there were no restrictions on title for intangible assets.

### 13. RIGHT-OF-USE ASSETS

	Warehouse	Residential properties	Chillers	Vehicles	Total
Year ended 30 June 2021	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
<b>Cost</b>					
At 1 July 2020	26,449	2,164	22,177	32,756	83,546
Remeasurement	(93)	(60)	—	—	(153)
Additions	—	753	—	9,094	9,847
Derecognition/write-off	—	(2,032)	—	(6,687)	(8,719)
<b>At 30 June 2021</b>	<b>26,356</b>	<b>825</b>	<b>22,177</b>	<b>35,163</b>	<b>84,521</b>
<b>Accumulated depreciation</b>					
At 1 July 2020	3,565	1,185	12,461	18,694	35,905
Depreciation charge	3,951	1,025	3,107	6,069	14,152
Released on derecognition/write-off	—	(2,032)	—	(6,491)	(8,523)
<b>At 30 June 2021</b>	<b>7,516</b>	<b>178</b>	<b>15,568</b>	<b>18,272</b>	<b>41,534</b>
<b>Net book value</b>	<b>18,840</b>	<b>647</b>	<b>6,609</b>	<b>16,891</b>	<b>42,987</b>
<b>Year ended 30 June 2020</b>					
<b>Cost</b>					
On adoption of IFRS 16	26,449	2,164	—	—	28,613
Transfer from PPE	—	—	24,686	27,128	51,814
At 1 July 2019	26,449	2,164	24,686	27,128	80,427
Additions	—	—	—	8,297	8,297
Write-off	—	—	(2,509)	(2,669)	(5,178)
At 30 June 2020	26,449	2,164	22,177	32,756	83,546
<b>Accumulated depreciation</b>					
Transfer from PPE	—	—	11,803	15,775	27,578
At 1 July 2019	—	—	11,803	15,775	27,578
Depreciation charge	3,565	1,185	3,167	5,225	13,142
Write-off	—	—	(2,509)	(2,306)	(4,815)
At 30 June 2020	3,565	1,185	12,461	18,694	35,905
<b>Net book value</b>	<b>22,884</b>	<b>979</b>	<b>9,716</b>	<b>14,062</b>	<b>47,641</b>

## Notes to the Financial Statements (Continued)

### 13. RIGHT-OF-USE ASSETS (continued)

#### Derecognition/write-off of right-of-use assets:

	2021	2020
	GH¢'000	GH¢'000
Cost	8,719	5,178
Accumulated depreciation	(8,523)	(4,815)
Net book value	196	363
Proceeds	—	—
<b>Loss on disposal</b>	<b>196</b>	<b>363</b>

#### Security

The carrying amount of right-of-use assets (vehicles and chillers) pledged as security for lease liabilities amounted to GH¢ 17.7 million at 30 June 2021 (2020: GH¢ 14.9 million).

### 14. INVENTORIES

	2021	2020
	GH¢'000	GH¢'000
Raw and packaging materials	113,247	67,629
Work-in-progress	5,318	7,858
Finished products	38,526	18,987
Engineering spares and other consumables	29,735	23,266
Goods in transit	1,147	226
	<b>187,973</b>	<b>117,966</b>

As of 30 June 2021, there were no inventories pledged as security (2020: Nil).

### 15. TRADE RECEIVABLES

	2021	2020
	GH¢'000	GH¢'000
Gross trade receivables	57,275	32,103
Loss allowance	(5,970)	(6,866)
<b>Net trade receivables (Note 28)</b>	<b>51,305</b>	<b>25,237</b>
<b>Movement in loss allowance</b>		
<b>At 1 July</b>	<b>(6,866)</b>	<b>(3,745)</b>
Credit/(charge) for the year	145	(3,568)
Write off	751	447
<b>At 30 June</b>	<b>(5,970)</b>	<b>(6,866)</b>

## Notes to the Financial Statements (Continued)

### 16. OTHER FINANCIAL ASSETS AT AMORTISED COST

	2021	2020
	GH¢'000	GH¢'000
Staff debtors	36	41
Other receivables	469	779
Gross other financial assets	505	820
Less: loss allowance	—	—
<b>Net other financial assets (Note 28)</b>	<b>505</b>	<b>820</b>

The maximum staff indebtedness did not exceed GH¢36,000 for the year (2020: GH¢41,000).

### 17. RELATED PARTY TRANSACTIONS

- The Company is a subsidiary of Diageo Holdings Netherlands BV, a company incorporated in the Netherlands. The Ultimate Parent Company is Diageo Plc, a company incorporated in the United Kingdom. The Company is affiliated with other companies in the group through common control and directorship.
- Raw materials, finished goods, plant and equipment purchased from related parties during the year as follows:

	2021	2020
	GH¢'000	GH¢'000
Diageo Ireland	47,597	22,639
Diageo Brands B.V.	35,671	22,841
Guinness Nigeria Plc	2,132	6,537
	<b>85,400</b>	<b>52,017</b>

- Included in profit or loss is an amount of GH¢29.6 million (2020: GH¢25 million) in respect of royalties and technical services fees accruing to Diageo Ireland, Diageo Brands B.V. and Diageo Great Britain.
- Finance cost of GH¢15 million (2020: GH¢16.01 million) was charged to profit or loss on account of loan from Diageo Finance Plc.





## Notes to the Financial Statements (Continued)

### 17. RELATED PARTY TRANSACTIONS (continued)

#### e) Human resource and project cost recharges

Transactions with other related parties included human resources and project costs recharges as follows:

	2021	2020
	GH¢'000	GH¢'000
Diageo Great Britain Limited	24,824	25,011
Guinness Storehouse Limited	24,793	21,750
Diageo Scotland Limited	4,394	3,361
Diageo Great Britain Limited	3,862	—
Diageo North America Inc.	2,498	—
Diageo Brands B.V.	1,539	—
Diageo North America Inc.	1,248	1,217
East African Breweries Limited	1,127	5,043
Diageo Brands B.V.	532	—
Guinness Nigeria plc	400	1
Guinness Cameroon SA	174	—
Diageo Deutschland GmbH	65	—
Diageo Plc	1	46
Diageo Business Services India	—	99
	65,457	56,528

#### f) Related party balances outstanding as at 30 June

##### (i) Amounts due from related parties

	2021	2020
	GH¢'000	GH¢'000
Guinness Nigeria Plc	1,014	42
Guinness Cameroon SA	1,447	199
Diageo Great Britain Limited	345	1,070
Meta Abo Brewery SC	125	—
Diageo Scotland Limited	1	—
Diageo North America Inc	—	1,827
Diageo Plc	—	924
East Africa Breweries Limited	—	271
Diageo Business Services Limited (Diageo Uzletviteli Szolgáltatások Kft)	—	89
Diageo Angola Limitada	—	50
	2,932	4,472

## Notes to the Financial Statements (Continued)

### 17. RELATED PARTY TRANSACTIONS (continued)

#### (ii) Amounts due to related parties

	2021	2020
	GH¢'000	GH¢'000
Diageo Ireland	10,883	11,001
Diageo Brands B.V.	7,490	3,212
Diageo Great Britain Limited	3,592	2,470
Guinness Nigeria Plc	1,856	461
Diageo Scotland Limited	115	1,334
Diageo North America Inc.	127	10
East African Breweries Limited	44	523
Guinness Cameroon SA	—	20
	24,107	19,031

Outstanding balances with related parties are to be settled in cash. There are no liens on the Company's assets in respect of the above liabilities.

All related parties are fellow subsidiaries except Diageo Plc which is the ultimate parent.

#### (iii) Borrowings

	2021	2020
	GH¢'000	GH¢'000
Balance at 1 July	109,253	109,313
Interest paid	(3,676)	(3,736)
Interest charge	3,248	3,676
Balance at 30 June	108,825	109,253

The Company has a loan facility from Diageo Finance Plc. Interest on the loan is at an applicable rate equal to 91 day Government of Ghana treasury bill plus a margin of 50 basis points to be determined on an ongoing basis. Up to 1 July 2022, all or any part of the loan may be repaid at the option of the borrower subject to approval from the lender. At any time, subsequent to 1 July 2022, the lender may require the borrower to repay either in full or in part, the loan together with accrued interest and all other amounts outstanding under the agreement. The interest rate applicable at the reporting date is 13.37%.

#### (iv) Key management compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly including directors of the Company. Key management personnel compensation recognised in administrative expenses in the profit or loss includes the following:

	2021	2020
	GH¢'000	GH¢'000
Short-term benefits	8,646	13,330
Long-term benefits	627	564
	9,273	13,894

## Notes to the Financial Statements (Continued)

### 18. OTHER ASSETS

	2021	2020
	GH¢'000	GH¢'000
Prepayments	3,525	2,413

### 19. CASH AND CASH EQUIVALENTS

	2021	2020
	GH¢'000	GH¢'000
Cash and bank balances	46,424	39,563
Bank overdraft (Note 23)	(28,942)	(47,772)
Cash and cash equivalents in the statement of cash flows	17,482	(8,209)

There are no restrictions on the Company's bank balances at the year end (2020: Nil).

### 20. STATED CAPITAL

#### (a) Ordinary shares

	Number of shares		Proceeds	
	2021	2020	2021	2020
			GH¢'000	GH¢'000
<b>Authorised: (number in millions)</b>				
Ordinary shares of no par value	400	400		
<b>Issued and fully paid: (number in millions)</b>				
For cash	179	179	253,678	253,678
For consideration other than cash	35	35	18,926	18,926
Transfer from retained earnings	93	93	275	275
	307	307	272,879	272,879

The holders of ordinary shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share at meetings of the Company.

There was no movement in ordinary shares during the year (2020: Nil).

#### (b) Shares in treasury

There is no unpaid liability on any share and there are no calls or instalments unpaid. There are no treasury shares.

### 21. LEASE LIABILITIES

	2021	2020
	GH¢'000	GH¢'000
Non-current lease liabilities	29,571	29,871
Current lease liabilities	9,870	6,138
	39,441	36,009

## Notes to the Financial Statements (Continued)

### 21. LEASE LIABILITIES (continued)

	Future minimum lease payments	Future finance charges	Present value of minimum lease payments	Future minimum lease payments	Future finance charges	Present value of minimum lease payments
	2021	2021	2021	2020	2020	2020
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Within one year	12,795	(2,925)	9,870	8,700	(2,562)	6,138
More than one year	32,648	(3,077)	29,571	32,704	(2,833)	29,871
	45,443	(6,002)	39,441	41,404	(5,395)	36,009

The Company entered into lease arrangements with Stanbic Bank Ghana Limited and Societe Generale Ghana Limited. The purpose of the facilities was to finance the purchase of vehicles and coolers. The applicable interest rates for Stanbic Bank Ghana Limited and Societe Generale Ghana Limited at reporting date are 17.43% and 16.77% respectively. Other lease liabilities relating to warehouse and residential properties were recognised in 2020 following the adoption of IFRS 16. Total principal lease repayments made in the year was GH¢6.4 million (2020: GH¢16.9 million).

#### Movement in lease liabilities:

	2021	2020
	GH¢'000	GH¢'000
Finance lease liabilities at 1 July	36,009	14,940
Recognised on adoption of IFRS 16	—	26,979
Impact of foreign exchange on adoption of IFRS 16	—	2,699
At 1 July	36,009	44,618
Additions	9,847	8,297
Repayments	(6,415)	(16,906)
At 30 June	39,441	36,009

#### Lease payment not recognised as lease liabilities

The Company has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. Short term leases include warehouse and residential property leases amounting to GH¢4,150,627.

### 22. EMPLOYEE BENEFIT OBLIGATIONS

#### End of Service Benefits

The Company has an end of service benefit plan that has been designed to help its permanent junior staff build up savings over a period of time. The plan is not funded. Employees who retire as junior staff are given two (2) years' annual salary. The defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk. Some of the Company's pension obligations are linked to salary inflation, and higher inflation will lead to higher liabilities.

#### Long Service Awards

The Company operates a long service benefit plan for all employees, both management staff and junior staff, who have served the Company for ten (10) years and beyond. The plan is not funded. The awards vary depending on the number of years served by employees who meet the criteria above.

#### (a) Employee benefit obligations

	2021	2020
	GH¢'000	GH¢'000
Defined benefit liabilities	2,735	2,309
Liability for long service awards	1,196	1,114
	3,931	3,423



## Notes to the Financial Statements (Continued)

### 22. EMPLOYEE BENEFIT OBLIGATIONS (continued)

The employee benefit obligations were independently valued by a professionally qualified actuary at 30 June 2021.

<b>(b) Movement in defined benefit liabilities</b>	<b>2021</b>	<b>2020</b>
	<b>GH¢'000</b>	<b>GH¢'000</b>
Balance at 1 July	<b>2,309</b>	2,202
<i>Included in profit or loss</i>		
Current service costs	<b>276</b>	243
Interest costs	<b>—</b>	295
	<b>276</b>	538
<i>Included in OCI</i>		
Actuarial loss/(gain)	<b>150</b>	(431)
<b>Balance at 30 June</b>	<b>2,735</b>	2,309

### **(c) Movement in long service award**

Balance at 1 July	<b>1,114</b>	1,061
Current service costs	<b>46</b>	153
Interest costs	<b>—</b>	145
Actuarial loss/(gain) recognised in profit or loss	<b>36</b>	(245)
Benefits paid	<b>—</b>	—
<b>Balance at 30 June</b>	<b>1,196</b>	1,114

### **(d) Actuarial assumptions**

	<b>2021</b>	<b>2020</b>
	<b>GH¢'000</b>	<b>GH¢'000</b>
Discount rate	<b>13 %</b>	12 %
Salary growth rate	<b>10 %</b>	10 %
Inflation rate	<b>10 %</b>	10 %

The mortality rate is based on a 75% adjustment on the SSNIT mortality rate.

### **(e) Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

	<b>2021</b>		<b>2020</b>	
	<b>Increase</b>	<b>Decrease</b>	<b>Increase</b>	<b>Decrease</b>
	<b>GH¢'000</b>	<b>GH¢'000</b>	<b>GH¢'000</b>	<b>GH¢'000</b>
Discount rate (1% movement)	<b>(296)</b>	<b>351</b>	(330)	402
Salary inflation (1% movement)	<b>375</b>	<b>(318)</b>	395	(331)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

## Notes to the Financial Statements (Continued)

### 23. BANK OVERDRAFTS

	2021	2020
	GH¢'000	GH¢'000
Standard Chartered Bank Ghana Limited	28,853	16,266
ABSA Bank Ghana Limited	78	3,591
Stanbic Bank Ghana Limited	11	12,865
Societe Generale Ghana Limited	—	15,050
	28,942	47,772

The terms of the overdrafts are as follows:

#### Standard Chartered Bank Ghana Limited

The overdraft facility of GH¢60 million is to augment the Company's working capital. Interest rate on the facility is the Ghana Reference Rate plus 1.51% per annum plus a risk premium based on market conditions and is subject to review in line with prevailing market conditions. This facility is supported by a letter of comfort from Diageo Highlands B.V and has no maturity date. At the end of the year, the rate was 15.31%.

#### ABSA Bank Ghana Limited (formerly Barclays Bank Ghana Limited)

The overdraft facility of GH¢15 million is to augment the Company's working capital. Interest rate on the facility is 0.84% above the Ghana Reference Rate per annum and is subject to review in line with prevailing market conditions. This facility is supported by a letter of comfort from Diageo Highlands B.V.

and has no maturity date. At the end of the year, the rate was 14.64%.

#### Stanbic Bank Ghana Limited

The overdraft facility of GH¢15 million is to augment the Company's working capital. Interest rate on the facility is indexed to the Ghana reference rate of plus a margin of 0.5% per annum and is subject to review in line with prevailing market conditions. This facility is supported by a letter of comfort from Diageo Highlands B.V. and has no maturity date. At the end of the year, the rate was 14.30%.

#### Societe Generale Ghana Limited

The overdraft facility of GH¢15 million is to augment the Company's working capital. Interest on this facility is the Ghana Reference Rate plus a margin of 1%. The facility is unsecured and will expire on 31 December 2021. At the end of the year, the rate was 14.8%.

### 24. TRADE AND OTHER PAYABLES

	2021	2020
	GH¢'000	GH¢'000
Trade payables	173,022	115,085
Accrued expenses	76,336	37,723
National Fiscal Stabilisation Levy (Note 10(iii))	(726)	(449)
Tax liabilities	21,308	16,572
Other payables	6,012	2,520
	275,952	171,451

## Notes to the Financial Statements (Continued)

### 25. EARNINGS PER SHARE

#### Basic and diluted earnings per share

The calculation of basic and diluted earnings per share at 30 June 2021 was based on profits attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding.

	2021	2020
	GH¢'000	GH¢'000
Profit attributable to ordinary shareholders	71,527	12,157
Weighted average number of ordinary shares	307,595	307,595
Basic and diluted earnings per share	0.233	0.040

At 30 June 2021, the basic and diluted earnings per share were the same. There are no outstanding shares with potential dilutive effect on the weighted average number of ordinary shares in issue.

### 26. DIVIDENDS

At the next annual general meeting the directors will recommend to the shareholders the payment of a dividend per share of GH¢0.08, amounting to GH¢25 million for the year ended 30 June 2021 (2020: GH¢4.24 million).

### 27. FINANCIAL INSTRUMENTS – FAIR VALUES

#### Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	Fair Value	
	Financial instruments at amortised cost	Level 3
	GH¢'000	GH¢'000
<b>At 30 June 2021</b>		
<b>Financial assets</b>		
Trade receivables	51,305	51,305
Other financial assets at amortised cost	505	505
Amounts due from related parties	2,932	2,932
Cash and bank balances	46,424	46,424
	<b>101,166</b>	<b>101,166</b>
<b>At 30 June 2021</b>		
<b>Financial liabilities</b>		
Trade and other payables	255,370	255,370
Bank overdrafts	28,942	28,942
Lease liabilities	39,441	45,443
Amounts due to related parties	24,107	24,107
Borrowings	108,825	108,825
	<b>456,685</b>	<b>462,687</b>

## Notes to the Financial Statements (Continued)

### 27. FINANCIAL INSTRUMENTS – FAIR VALUES (continued)

	Fair Value	
	Financial instruments at amortised cost	Level 3
	GH¢'000	GH¢'000
<b>At 30 June 2020</b>		
Financial assets		
Trade receivables	25,237	25,237
Other financial assets at amortised cost	820	820
Amounts due from related parties	4,472	4,472
Cash and bank balances	39,563	39,563
	<b>70,092</b>	<b>70,092</b>

<b>At 30 June 2020</b>		
Financial liabilities		
Trade and other payables	155,328	155,328
Bank overdrafts	47,772	47,772
Lease liabilities	36,009	41,404
Amounts due to related parties	19,031	19,031
Borrowings	109,253	109,253
	<b>367,393</b>	<b>372,788</b>

### 28. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

The Company's exposure to each of the above risks, objectives, policies and processes for measuring and managing risks including management of capital are as follows:

#### Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Audit sub-committee is responsible for monitoring compliance with the Company's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to risks faced by the Company.

The Audit sub-committee gains assurances on the effectiveness of internal control and risk management from:

- summary information relating to the management of identified risks;
- detailed reviews of the effectiveness of management of selected key risks; results of management's self-assessment processes over internal control;
- and independent work carried out by the Global Audit and Risk function, which provide the Audit sub-committee and management with results of procedures carried out on key risks, including extent of compliance with standards set on governance; and assurances over the quality of the Company's internal control.

The Company also has a Control, Compliance and Ethics function in place, which monitors compliance with internal procedures and processes, assesses the effectiveness of internal control.

## Notes to the Financial Statements (Continued)

### 28. FINANCIAL RISK MANAGEMENT (continued)

#### Risk management framework (continued)

The Company's risk management policies are established to identify and analyse risks faced by the Company, set appropriate risk limits and controls, and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. Through training, standards and procedures, the Company aims to maintain a disciplined and constructive control environment, in which all employees understand their roles and obligations.

#### I. Credit risk

Credit risk arises from deposits with banks as well as credit exposures to key distributors, wholesale and retail customers and other receivables.

#### (i) Risk management

For deposits with banks, the Company only transacts business with banks licensed by the Bank of Ghana.

Customers are grouped according to the characteristics of each customer. The credit control committee has established a credit policy under which new customers are assessed individually for credit worthiness before the Company's standard payment terms and conditions are offered. The Company generally trades with pre-defined and selected customers.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

#### (ii) Security

For certain trade receivables, the Company may obtain security in the form of bank guarantees, collateral (such landed properties) which can be called upon if the counterparty is in default under the terms of the agreement.

#### (iii) Impairment of financial assets

The Company's financial assets that are subject to the expected credit loss model are:

- trade receivables
- other financial assets at amortised cost
- deposits with banks
- amounts due from related parties

While deposits with banks are also subject to the impairment requirements of IFRS 9, the impairment loss assessed was immaterial. The Company held bank balances of GH¢46.4

million at 30 June 2021 (2020: GH¢39.6 million) which represent its maximum exposure.

The Company's exposure to credit risk in respect of amounts due from related parties is minimal. The Company has transacted business with related parties over the years, and there have been no defaults in payment of outstanding debts. Therefore, no expected credit loss has been recognised.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. To measure the expected credit losses, trade and other receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2021 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified interest rates, inflation and exchange rates to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as of 30 June 2021 was determined as follows for both trade and other receivables:



## Notes to the Financial Statements (Continued)

### 28. FINANCIAL RISK MANAGEMENT (continued)

#### I. Credit risk (continued)

30 June 2021	Gross carrying amount GH¢'000	Loss rate	Lifetime expected credit losses GH¢'000	Net Carrying amount GH¢'000
<b>Key Distributor</b>	<b>62,855</b>		<b>1,925</b>	<b>60,930</b>
Current	60,834	0.03%	18	60,816
More than 30 days past due	26	31.09%	8	18
More than 60 days past due	26	37.22%	10	16
More than 90 days past due	31	49.91%	15	16
More than 120 days past due	127	49.94%	63	64
Over 180 days past due	1,811	100.00%	1,811	—
<b>Retail</b>	<b>2,279</b>		<b>2,279</b>	<b>—</b>
Over 180 days past due	2,279	100.00%	2,279	—
<b>Wholesale</b>	<b>4,959</b>		<b>1,550</b>	<b>3,409</b>
Current	3,475	1.99%	70	3,405
More than 120 days past due	14	74.87%	10	4
Over 180 days past due	1,470	100.00%	1,470	—
<b>Other receivables</b>	<b>216</b>		<b>216</b>	<b>—</b>
Over 180 days past due	216	100.00%	216	—
<b>Total</b>	<b>70,309</b>		<b>5,970</b>	<b>64,339</b>

30 June 2020:				
Key Distributor	32,690		2,033	30,657
Current	30,468	0.06%	18	30,450
More than 30 days past due	178	0.10%	—	178
More than 60 days past due	49	41.49%	20	29
More than 90 days past due	—	49.05%	—	—
Over 120 days past due	1,995	100.00%	1,995	—
Retail	3,913		2,261	1,652
Current	1,481	1.96%	29	1,452
More than 30 days past due	130	2.00%	3	127
More than 60 days past due	81	10.00%	8	73
More than 90 days past due	2,221	100.00%	2,221	—
Wholesale	2,541		1,244	1,297
Current	1,265	0.72%	9	1,256
More than 30 days past due	—	1.45%	—	—
More than 60 days past due	—	35.06%	—	—
More than 90 days past due	65	36.19%	24	41
Over 120 days past due	1,211	100.00%	1,211	—
Other receivables	2,152		1,328	824
Current	824	0.00%	—	824
More than 30 days past due	—	0.00%	—	—
More than 60 days past due	—	0.00%	—	—
More than 90 days past due	—	0.00%	—	—
Over 120 days past due	1,328	100.00%	1,328	—
<b>Total</b>	<b>41,296</b>		<b>6,866</b>	<b>34,430</b>

## Notes to the Financial Statements (Continued)

### 28. FINANCIAL RISK MANAGEMENT (continued)

#### I. Credit risk (continued)

##### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk for trade and other receivables at the reporting date was:

	2021	2020
	GH¢'000	GH¢'000
Key Distributor	62,855	32,690
Retail	2,279	3,913
Wholesale	4,959	2,541
Other	216	2,152
	70,309	41,296
Returnable deposit	(13,113)	(8,373)
Loss allowance	(5,970)	(6,866)
Other receivables	584	—
Net receivable	51,810	26,057
Net receivable is analysed as follows		
Trade receivables (Note 15)	51,305	25,237
Other financial assets at amortised cost (Note 16)	505	820
	51,810	26,057

#### II. Liquidity risk

Liquidity risk is the risk that the Company would either not have sufficient financial resources available to meet all its obligations and commitments as they fall due or can access them only at excessive cost.

The Company's approach to managing liquidity is to ensure that it maintains adequate liquidity to meet its liabilities as and when they fall due. The Company assesses its debt position every month. The Company also monitors the level of expected cash inflows on trade and other receivables on a daily basis. Diageo Finance Plc, the finance unit of the Group, makes available borrowings to the Company to support its operations.

The following are contractual maturities of financial liabilities:

At 30 June 2021	Contractual cash flows				
	Carrying amount	Total	2-6mths	6-12mths	After 12 mths
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Trade and other payables	275,952	275,952	275,952	—	—
Bank overdrafts	28,942	28,942	28,942	—	—
Lease liabilities	39,441	45,443	6,934	5,862	32,647
Amounts due to related parties	24,107	24,107	24,107	—	—
Borrowings	108,825	159,689	6,910	8,983	143,796
<b>Balance at 30 June 2021</b>	<b>477,267</b>	<b>534,133</b>	<b>342,845</b>	<b>14,845</b>	<b>176,443</b>

## Notes to the Financial Statements (Continued)

### 28. FINANCIAL RISK MANAGEMENT (continued)

#### II. Liquidity risk (continued)

At 30 June 2020	Contractual cash flows				
	Carrying amount GH¢'000	Total GH¢'000	2-6mths GH¢'000	6-12mths GH¢'000	After 12 mths GH¢'000
Trade and other payables	171,451	171,451	171,451	—	—
Bank overdrafts	47,772	47,772	—	—	47,772
Lease liabilities	36,009	41,404	5,655	3,045	32,704
Amounts due to related parties	19,031	19,031	19,031	—	—
Borrowings	109,253	197,542	7,019	7,262	183,261
Balance at 30 June 2020	383,516	477,200	203,156	10,307	263,737

#### III. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company's Treasury department monitors market trends on a weekly basis to manage any risk exposure. Significant items of expenditure are incurred when market prices and other economic indicators are favourable.

#### Foreign currency risk

The Company is exposed to currency risk on purchases and borrowings that are denominated in currencies other than the functional currency. The currencies in which these transactions are primarily denominated are Euros (EUR), US Dollars (USD) and Great Britain Pounds (GBP).

The Company's exposure to foreign currency risk expressed in transaction currency at the end of the reporting period was as follows:

At 30 June 2021	EUR 000	USD 000	GBP 000	HUF 000	SGD 000	AOA 000	MXN
Bank balances	2,797	3,765	557	—	—	—	—
Trade payables	(4,656)	(3,289)	(251)	—	—	—	—
Related party balances	(121)	(1,357)	(1,164)	—	—	—	—
<b>Net exposure</b>	<b>(1,980)</b>	<b>(881)</b>	<b>(858)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

At 30 June 2020	EUR 000	USD 000	GBP 000	HUF 000	SGD 000	AOA 000	MXN 000
Bank balances	1,835	2,095	2,570	—	—	—	—
Trade payables	(3,318)	(1,171)	(453)	—	—	—	—
Related party balances	(154)	(1,937)	(336)	(6,269)	(1)	(68)	(4)
Net exposure	(1,637)	(1,013)	1,781	(6,269)	(1)	(68)	(4)

## Notes to the Financial Statements (Continued)

### 28. FINANCIAL RISK MANAGEMENT (continued)

#### III. Market risk (continued)

The exchange rates for major currencies during the year are as follows:

	Average rate		Reporting date	
	2021	2020	2021	2020
	cedis	cedis	cedis	cedis
EUR 1	6.92	6.18	6.97	6.51
USD 1	5.79	5.59	5.86	5.77
GBP 1	7.82	7.05	8.15	7.10

#### Sensitivity analysis on currency risks

The following table shows the effect of a strengthening or weakening of the Ghana cedi against all other currencies on the Company's profit or loss and equity. This sensitivity analysis indicates the potential impact on profit or loss and equity based upon the foreign currency exposures recorded at 30 June and does not represent actual or future gains or losses. The sensitivity analysis is based on the percentage difference between the closing exchange rate and the average exchange rate per currency recorded in the course of the respective financial year.

A strengthening/weakening of the Ghana cedi, by the rates shown in the table, against the following currencies at 30 June would have increased/decreased equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

2021				2020		
At 30 June		Profit or loss impact: Strengthening	Profit or loss impact: Weakening		Profit or loss impact: Strengthening	Profit or loss impact: Weakening
Currency	% Change	GH¢'000	GH¢'000	% Change	GH¢'000	GH¢'000
EUR	±7.5	1,031	(1,031)	±7.5	759	(759)
USD	±7.5	384	(384)	±7.5	424	(424)
GBP	±7.5	503	(503)	±7.5	(942)	942

#### Interest rate risk

The Company's main interest rate risk arises from borrowings at variable rates, which exposes it to cash flow interest rate risk.

Variable rate instruments	Carrying amounts	
	2021	2020
Bank overdrafts	28,942	47,772
Borrowings	108,825	109,253
Lease liabilities	39,441	36,009
	177,208	193,034

#### Sensitivity analysis for variable rate instruments

A change of 200 basis points in interest rates at the reporting date would have an increased/ (decreased) effect on equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates remain constant. The analysis is performed on the same basis for 2020.

## Notes to the Financial Statements (Continued)

### 28. FINANCIAL RISK MANAGEMENT (continued)

#### III. Market risk (continued)

At 30 June	2021			2020		
	% Change	Profit or Loss impact: GH¢'000	Equity GH¢'000	% Change	Profit or Loss impact: GH¢'000	Equity GH¢'000
Bank overdrafts	± 2%	± 480	± 480	± 2%	± 495	± 495
Borrowings	± 2%	± 2,112	± 2,112	± 2%	± 2,120	± 2,120
Lease liabilities	± 2%	±342	±342	± 2%	± 317	± 317

### 29. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

	2021	2020
	GH¢'000	GH¢'000
Borrowings	108,825	109,253
Less: cash and cash equivalents	(17,482)	8,209
Net debt	91,343	117,462
Total equity	371,834	304,638
Gearing ratio	25%	39%

### 30. CAPITAL COMMITMENTS

Capital commitments authorised but not expended for property, plant and equipment at the reporting date amounted to GH¢ 17.62 million (2020: GH¢45.54 million).

### 31. CONTINGENT LIABILITIES

Contingent liabilities, in respect of possible claims and lawsuits at the reporting date amounted to GH¢55,000 (2020: GH¢55,000). Judgement in respect of these cases have not been determined at 30 June 2021. No provision has been made as professional advice on the cases indicate that it is unlikely that any significant loss will arise.

### 32. SUBSEQUENT EVENTS

The COVID-19 pandemic continues to impact the economy and the Company. However to date, no significant impact has been observed on the Company's business and financial performance.

The directors are not aware of any other material events that have occurred between the date of the statement of financial position and the date of this report that require disclosure or adjustment.



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## APPENDIX I: SHAREHOLDER INFORMATION

### Analysis of Shareholding

#### (i) Number of Shareholders

The Company had 4,441 ordinary shareholders at 30 June 2021 distributed as follows:

	Holding No. of Holders	Total Holding	% Holding
1 – 1,000	3,199	754,327	0.25
1,001 – 5,000	611	1,503,274	0.49
5,001 – 10,000	390	3,080,721	1.00
10,001 – 999,999,999	241	302,256,505	98.26
<b>Total</b>	<b>4,441</b>	<b>307,594,827</b>	<b>100.00</b>

#### (ii) List of twenty largest shareholders at 30 June 2021

	Name	No. of Shares	% Holding
1	DIAGEO HOLDINGS NETHERLANDS B.V.	247,291,361	80.40
2	SOCIAL SECURITY & NATIONAL INS.TR.	23,299,870	7.57
3	SCGN/JPMC FIRSTRAND BANK LIMITED	10,487,473	3.41
4	STD NOMS TVL PTY/BNYM LUX/EAST	6,000,971	1.95
5	SCGN/EPACK INVESTMENT FUND LTD	3,328,015	1.08
6	SCGN/ENTERPRISE LIFE ASSO. CO.	2,616,576	0.85
7	SCGN/JPMORGAN CHASE BANK, NATIONAL	2,326,220	0.76
8	SCGN/CACEIS FRANCE RE HNG GLOBETRO.	860,011	0.28
9	SCBN/CITIBANK LONDON ROBECO AFRIKA	482,632	0.16
10	STD NOMS TVL PTY/HERITAGE FUND LTD	450,300	0.15
11	TEACHERS FUND	347,925	0.11
12	STD NOM/METLIFE CLASSIC FUND	186,400	0.06
13	HFCN/COCOBOD TIER 3 PENSION SCHM	183,943	0.06
14	CBN/GIMPA PROVIDENT FUND SCHEME	145,399	0.05
15	STD BANK NOMS/ RENAISSANCE	122,631	0.04
16	GES OCCUPATIONAL PENSION SCHEME	110,300	0.04
17	CBN/HEALTH SECTOR OCCUP PENSION	106,500	0.03
18	THERESE EPIE STRIGGNER SCOTT	105,600	0.03
19	CFAO FRANCE S.A	100,217	0.03
20	ENTERPRISE GROUP LTD	100,000	0.03
	Reported Totals	298,652,344	97.09
	Not Reported	8,942,483	2.91
	<b>Company Total</b>	<b>307,594,827</b>	<b>100</b>

## APPENDIX II: FIVE YEAR FINANCIAL SUMMARY

	2021	2020	2019	2018	2017
	GH¢'000	GH¢'000	GH¢'000	GH¢'000	GH¢'000
<b>Results</b>					
Revenue	1,104,436	840,349	684,979	623,102	587,447
Profit before tax	100,968	20,150	32,548	35,430	11,576
Income tax expense and NFSL (expense)/credit	(29,441)	(7,993)	(14,502)	(11,575)	(4,662)
Profit after tax	71,527	12,157	18,046	23,855	6,914
Dividend paid	(4,213)	(9,013)	(10,797)	—	—
Retained profit/(loss)	67,314	3,144	7,249	23,855	6,914
<b>Statement of financial position</b>					
Property, plant and equipment	540,698	476,247	418,655	373,208	363,348
Right-of-use assets	42,987	47,641	—	—	—
Intangible assets	915	1,611	2,716	3,116	3,610
Cash and bank balances	46,424	39,563	53,241	62,836	52,579
Other current assets	252,211	155,661	183,856	128,028	108,370
Total assets	883,235	720,723	658,468	567,188	527,907
Total liabilities	(511,401)	(416,085)	(357,309)	(272,547)	(256,958)
	371,834	304,638	301,159	294,641	270,949
Share capital	272,879	272,879	272,879	272,879	272,879
Retained earnings	98,955	31,759	28,280	21,762	(1,930)
	371,834	304,638	301,159	294,641	270,949
<b>Revenue collected for Government</b>					
Sales tax/value added tax	217,107	161,399	152,540	138,778	128,023
	217,107	161,399	152,540	138,778	128,023
<b>Statistics</b>					
EPS (GH¢)	0.233	0.040	0.059	0.078	0.022
Dividend per share (GH¢)	0.080	0.014	0.029	0.035	—
Net asset per share (GH¢)	1.21	0.99	0.98	0.96	0.88
Current ratio	0.88:1	0.8:1	1.13:1	1.49:1	1.35:1
Return on shareholders' fund (%)	19.24	3.99	5.99	8.10	2.55
Return on net sales value (%)	6.48	1.45	2.63	3.83	1.18



## Appendix III: SUSTAINABILITY REPORT – 2020/2021

### Report Scope and Time frame

Our 2020/21 Sustainability Report is focused, essentially, on our efforts at promoting sustainable business practices across all our business operations in Ghana. It showcases our commitment to creating our products in ways that optimise use of resources across our operations while minimising our impact on the environment, promoting responsible drinking, and living by our policies and implementing locally and globally acceptable sustainability standards in all our operations and activities.

This report highlights all our activities from July 2020 to June 2021. It showcases our response to stakeholder recommendations and how we aligned same to shape our decisions for the year as well as our approach to environmental sustainability.

### Sustainability at Guinness Ghana – Sustainability Strategy

Our strategy and decision making at Guinness Ghana is based on issues that are most material to our business. Our strategy provides a guide on our framework and implementation road map for managing our social, economic, and environmental footprint as well as sets ambitious targets for improvements. It is aligned with our Company's purpose, embedded in our business strategy, and reflect the areas where our stakeholders expect us to lead.

In 2020/21, after a decade of contributions to society through its varied projects which tackle alcohol abuse, builds thriving communities where it sources, operates and sells and reducing our environmental impact, Diageo launched Society 2030: Spirit of Progress. These are new targets which underpin a 10-year action plan to help create a more inclusive and sustainable world; to champion inclusion and diversity; to preserve the natural resources on which our long-term success depends; and make a positive contribution to the communities in which we live, work, source and sell.

Guinness Ghana's sustainability strategy is therefore tactically aligned with Diageo's global strategy and is underpinned by the 6 areas captured in our Society 2030: Spirit of Progress strategy. These include:

- Promoting Positive Drinking
- Championing Inclusion and Diversity
- Preserving Water of Life
- Accelerate to a low carbon world
- Become Sustainable by design
- Doing business the right way

We seek constantly to be recognised as the best performing, most trusted and respected brand in Ghana and we understand that to achieve this we need to be delivering on our sustainable development commitments.



## Appendix III: SUSTAINABILITY REPORT – 2020/2021 (Continued)

### Promoting Positive Drinking

We are committed to creating a culture of responsible drinking by promoting moderate consumption of our products and addressing alcohol-related harm in society. We believe that alcohol should be enjoyed as part of a balanced life and should play a positive role during celebrations of different milestones in life. Moderate and responsible consumption is, however, a prerequisite. We therefore aim to celebrate the positive aspects of moderate alcohol consumption and to position our brands as a relevant and responsible choice for people who choose to drink. We care passionately about reducing alcohol-related harm through our own programmes and through partnership and collaboration with others – and we seek to provide consumers with the information and tools they need to make informed choices about drinking or not drinking.

Our responsible drinking commitment is implemented through:

- Industry collaboration
- Impactful programmes and
- Training

In 2020/21 financial year, we sought to transition our underage drinking programme to SMASHED. Smashed is a Diageo PLC initiative targeted at tackling the issue of underage drinking amongst the youth using drama and interactive educational tools. To this end, we partnered with Health and Work Environment Agency (HAWEA) and the National Commission for Civic Education (NCCE), to pilot a SMASHED initiative for the first time in Ghana.

Despite the impact of COVID-19 which hampered mass gatherings and face-to-face engagements, the programme was able to educate 1,455 students across seven (7) basic and senior high schools in the Greater Accra region. Out of the total figure, a post-event survey indicated that a total of 1,396 young people reported attitudinal change due to the programme.

During the year under review, to further enhance our leadership in promoting responsible drinking and driving the message of moderation, we embarked on DRINKiQ Education and ZOOM Clinics for all our over 500 full time employees, our customers and trade partners and for our consumers using our online assets. In all, we had 738 visits & quiz completions to DrinkiQ main site and reached over 8 million people reached with the message of moderation through our online brand assets.



SMASHED Underage drinking Project pilot



## Appendix III: SUSTAINABILITY REPORT – 2020/2021 (Continued)

### Diversity and Inclusion

Our commitment is to attract and retain the most diverse talent while creating the most inclusive culture. As a champion of inclusion & diversity, we seek to shape market-leading policies and practices, improving representation at every level, everywhere.

We have set ambitious goals on gender and ethnic diversity for ourselves which are reaping results. In the financial year alone, with a focus on progressive recruitment practices, we were able to increase the percentage of female employees from 17% to 21%.

We celebrated the Diversity and Inclusion Month in March 2021, where we launched the Choose to Challenge campaign;

inviting and calling on employees across our sites during the month to choose to challenge stereotypes and biases and equally rally others outside our business to do the same.

The month-long campaign focused on creating awareness on diversity and inclusion through various internal communications channels, as some employees pledged their commitment to champion diversity and inclusion. It was capped with a virtual event, featuring our Managing Director, Helene Weesie, and other external guests, who shared with employees nuggets on challenging themselves to become better versions of themselves by expanding their occupational and personal efficiencies.



*Photos from activities to mark Diversity and Inclusion Month*

## Appendix III: SUSTAINABILITY REPORT – 2020/2021 (Continued)

### Preserving Water of Life

#### **Water of Life and Water Replenishment**

In line with our commitment to deliver shared value to the communities where we source, make, and sell, during the 2020/21 financial year, the business effectively delivered a water of life project in Garu in the Upper East region. This is in line with our strategy to provide water services in our local sourcing communities.

Through this project which was implemented in partnership with WaterAid Ghana, Ghana as a Diageo market during the year under review overdelivered on its target of 40,300 cubic meters of water by delivering an actual replenishment of 43,800 cubic meters of water back into the environment.

This project is the first of many to be sited in our local sourcing areas over the next decade and as part of our contribution towards Diageo's 2030 targets.



*Water of Life project at Garu (Upper East region)*

### Accelerate to a low carbon world

In taking action to accelerate towards a low carbon world in our production and practices, our Achimota site has embarked on an audacious project. During the 2020/21 financial year, we completed the installation of a 1.0 MWp solar power facility that will generate approx. 1.3m kWh per annum, thus reducing the power supplied from diesel generators. This new phase of providing a cost-effective solar energy solution for production

presents both commercial and environmental benefits to the business as we make progress towards our 2030 ambition of decarbonizing our operations. It presents a good start for achieving Zero Carbon Emission from grid sourced power as stipulated in the Diageo Society 2030 document and reducing CO2 emissions as now our site power generators will run at lower than rated capacity.



*Aerial view of solar project at our Achimota site*



## Appendix III: SUSTAINABILITY REPORT – 2020/2021 (Continued)

### Become Sustainable by Design

#### Aggregator Engagements

During the year under review, in line with our objective to assure sorghum supply for business expansion, we engaged aggregators from our supply chain. This session which was led by our Managing Director, Finance Director and Supply Chain Director sought to ascertain issues on our local raw material

sourcing, challenges, and the way forward. In all, it was attended by twenty-one (21) aggregators drawn from our local sourcing areas in the Upper East, Upper West, and Northern regions. Key insights drawn from the meeting and several actions initiated to address challenges.



*Photos from our Aggregator Engagement session in April 2021*

#### Farmer Recognition Awards

As a follow up to our Aggregator engagement in April 2021, the business crowned its 2020/21 Local Raw Materials (LRM) supply chain engagements with a Farmer Recognition Day. This event which was held in the Northern regional capital – Tamale sought to reward and motivate our hard-working farmers who have contributed immensely to our sorghum ambition over the farming cycle.

Overall, more than one-hundred and twenty (120) farmers from various farmer groups in Upper East and Upper West regions attended the event. Eighteen (18) farmers were awarded in categories such as Best Sorghum Farmer, Best Female Farmer, Best Young Farmer, and Best Farmer Group.



## Appendix III: SUSTAINABILITY REPORT – 2020/2021 (Continued)

To embed the concept and practice of regenerative agriculture among farmers, a special award by the Managing Director was introduced this year for the Farmer Practicing Good Soil Management. Awardees received motorized tricycles, motorbikes, Guinness Ghana products.



*Photos from our Sorghum Farmers' Recognition Day*

### **Reducing our Environmental Impact**

Guinness Ghana continues to ensure zero hazardous waste to landfill through segregating waste at source on our sites in line with our commitment to reduce our environmental impact. During the financial year, a total of 182.93 tonnes (metric) plastics waste from our sites was collected and recycled locally.

#### **rPET Transformation Project**

Over the next decade, Guinness Ghana has set a bold and ambitious commitment to achieve zero waste in our direct operations and zero waste to landfill throughout our supply chain by 2030, achieve 40% average recycle content in all plastics bottles (and 100% by 2030) and continue to invest in circular economy opportunities and other sustainable packaging breakthroughs, among others. During the year under review, in support of our commitment, Ghana has been selected to roll

out a market pilot recycled PET (rPET) transformation program across Diageo's markets. By the end of the financial year, workstreams comprising representatives from our Supply, Commercial and Corporate Relations departments have been established to:

- Ascertain a workable post-consumer plastics collection model for rollout by Guinness Ghana.
- Assure a future Proof Supply Solution
- Discuss Innovation & Brand Change Process

By the end of the 2021/2022 financial year, the business hopes to rollout a post-consumer collection pilot programme to put in place an efficient circular economy for our PET and establish a framework to source rPET preforms from the sub region by H1 F22 while working to progressively move to local sourcing.

## Appendix III: SUSTAINABILITY REPORT – 2020/2021 (Continued)

### GRIFE activities

During the year, despite the impact of COVID-19, the business supported GRIFE's (Ghana Recycling Initiative by Private Enterprises) collection and recycling efforts through community engagements and awareness and buy back sessions in Kumasi and Accra. The following activities were undertaken:

- Community buyback exercise around Asawasi on World Clean Up Day in partnership with Premiere Waste and other organization.
- Community buyback at Teshie on World Recycling Day GRIFE in collaboration with the Ledzokuku Municipal Authority.
- Community Buy back event in partnership with Premiere Waste, Recycle UP, among others at Asokore Mampong.



*Photos from the Community Buyback sessions in Accra and Kumasi*

- To celebrate International Women's Day (IWD), GRIFE celebrated female waste pickers in Kumasi in an event partnership with Recycle Up Ghana, Voltic Ghana, and Premier Waste Services. As part of the event there was a training session for the waste pickers on goal setting and financial management, Health Screening, and donation of Personal Protective Equipment (PPEs) and detergents the group.
- GRIFE partnered with Street Sense Ghana, Accra Metropolitan Assembly, Ghana Wildlife Association, etc. to embark on a tree planting exercise in support of Government of Ghana's Green Ghana campaign on World Environment Day. In all, a total of 1,000 trees were planted across some major streets in the capital.



## Notes

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