



Nestlé Good food, Good life

Press Release

Lagos, Nigeria, February 26, 2025

FOR IMMEDIATE RELEASE

Strong operating performance in a challenging market; Q4 2024 standalone results marks return to profitability

Summary:

2024 full year:

Revenue growth of 75.2% to 958.8 billion Naira; Operating Profit increases by 35.6% to 167.9 billion Naira from 123.8 billion Naira; Equity position stable

Q4 2024:

Robust growth of 95%; Operating profit increases by 77.1% to 57 billion Naira from 32.2 billion Naira; Profit after tax of 19.7 billion Naira vs loss of -36.4 billion Naira in Q4 2023

Highlights:

Full Year 2024

- Total Revenue increases by 75.2% reaching 958.8 billion Naira versus 547.1 billion Naira in 2023
- Export Sales of 6.6 billion Naira vs. 1.2 billion Naira in 2023
- Operating profit of 167.9 billion Naira vs. 123.8 billion in 2023, an increase of 35.6%
- Earnings before interest, taxes, depreciation and amortization (EBITDA) of 196.7 billion Naira, an increase by 45.2% from 135.4 billion Naira in 2023
- Capex of 132 billion Naira (since 2023); 8% increase in workforce over 2023
- Early payment of USD 20 million inter-group forex debt
- Profit after tax impacted by high finance cost due to the devaluation of the Naira
- Total comprehensive loss at -14.6 billion Naira vs. -79.4 billion Naira in 2023
- Equity position stable

Oct-Dec 2024 (Q4 2024)

- Total Revenue increases by 95% reaching 293.5 billion Naira versus 150.5 billion Naira in Oct-Dec 2023
- Operating profit of 57 billion Naira vs. 32.2 billion in Oct-Dec 2023, an increase of 77.1%
- EBITDA of 66.4 billion Naira vs. 35.3 billion in Oct-Dec 2023, an increase of 88%

- Profit after tax for the quarter at 19.7 billion Naira versus loss of -36.4 billion Naira in Oct-Dec 2023

Nestlé Nigeria has announced a full-year revenue growth of 75.2%, reaching 958.8 billion Naira in 2024. Its operating profit improved by 35.6% to 167.9 billion Naira while earnings before interest, taxes, depreciation and amortization (EBITDA) grew by 45.2%. These results indicate a robust operational performance in a challenging market. The company's total comprehensive loss stood at -14.6 billion Naira vs. -79.4 billion Naira in 2023, impacted by high finance costs due to currency devaluation.

Commenting on the results, Mr. Wassim Elhousseini, CEO/Managing Director of Nestlé Nigeria PLC, stated, "Our 2024 results demonstrate the resilience of our brands and teams and underscore our strong fundamentals in a challenging business environment. The impressive 75.2% revenue growth for the year as well as 35.6% improvement of our operating profit to 167.9 billion Naira reflect the robustness of our operating performance. Our net profit and equity were impacted by high finance costs associated with the revaluation of the company's foreign currency obligations, due to an unprecedented devaluation of the Naira."

"I am very pleased to state that our Q4 2024 standalone results mark a return to profitability with a net profit of Naira 19.7 billion, against a loss of 36.4 billion Naira in Q4 2023. Our investments of 132 billion Naira in our operations since 2023, including Naira 72 billion in 2024, are strategically aligned to enhance our market position and meet the consumer demand. We also expanded our workforce by 8% to support the growth across our portfolio. We extend our gratitude to our employees whose decisive actions contributed to our results. We also thank our partners for their vital contributions during these challenging times."

In the fourth quarter of 2024, Nestlé Nigeria PLC achieved a net profit after tax of 19.7 billion Naira compared to a loss of -36.4 billion Naira in Q4 2023. Operating profit in the quarter increased by 77.1%, rising from 32.2 billion Naira to 56.9 billion Naira. This turnaround from loss to profitability underscores the strength of the company's underlying fundamentals.

Since 2023, the company has invested 132 billion Naira in new capacities and technologies within its operations, including 72 billion Naira in 2024. Also in 2024, the company increased its workforce by 8%. These investments are strategically aligned with its long-term goals to strengthen its market position and meet consumer demand.

In March 2024, Nestlé Nigeria had adopted the revaluation model for its lands, buildings, plants and machinery, transitioning from historical cost accounting. This change resulted in a net revaluation gain of 150 billion Naira, reflected in the company’s Statement of Comprehensive Income, Financial Position, and Statement of Changes in Equity.

In 2024, Nestlé Nigeria balanced its operational performance with social responsibility, remaining steadfast in creating shared value as a positive force for good in society. It demonstrated its dedication to women and youth development through several initiatives. The number of participants in Nestlé Empowering Rural Women project which supports women to grow their businesses by up to three hundred percent grew to three hundred and eighty-two; seventy additional students graduated from the technical training program which has equipped two hundred and twenty-nine youth with the technical skills to drive Nigeria’s industrial transformation; and sixty-five new students received Nestlé’s community scholarship which helps one hundred and seventy-nine youth get the technical foundation they need.

Looking ahead to 2025, Mr. Elhousseini said, “We remain optimistic that our ongoing initiatives to tackle economic challenges will yield positive results and support consumer demand. Our performance in Q4 2024 demonstrates that we are well-positioned to tackle the current challenges and deliver long-term value to our shareholders, guided by our dedication to operational efficiency and innovation. We will prioritize initiatives that create shared value for all stakeholders, as they contribute to our long-term sustainability while we provide nutritious foods and beverages to meet and exceed their expectations.”

Summary of the results: Full Year 2024 and Q4 2024

	Jan - Dec 2024	Jan – Dec 2023
	N’000	N’000
Revenue	958,814,739	547,118,754
Cost of Sales	(652,459,895)	(329,945,347)
Gross Profit	306,354,843	217,173,407
Results from operating activities	167,876,263	123,787,596
Finance income	3,367,575	5,690,939
Finance costs	(392,832,386)	(233,503,964)
Net finance costs	(389,464,811)	(227,813,025)
Loss before income tax	(221,588,548)	(104,025,429)
Income tax credit	56,993,527	24,551,648
Loss for the period	(164,595,022)	(79,473,781)
Surplus from the revaluation of property, plant and equipment net of tax	150,037,365	-
Total Comprehensive loss for the period	(14,557,657)	(79,473,781)

Summary of the results: Oct-Dec 2024

	Oct-Dec 2024	Oct-Dec 2023
	N'000	N'000
Revenue	293,524,977	150,527,134
Cost of Sales	(193,482,058)	(93,524,241)
Gross Profit	100,042,919	57,002,893
Results from operating activities	57,032,411	32,201,458
Net finance costs	(23,236,330)	(79,569,487)
Income tax credit/(expense)	(14,120,340)	10,962,279
Profit/(loss) for the period	19,675,740	(36,405,751)

-end-

About us:

Nestlé Nigeria is Africa's top food and beverage company, known for its quality, excellence, and commitment to creating shared value. With a heritage of more than 63 years in Nigeria and its house-hold brands, the firm continues to ensure the availability and accessibility of nutritious food and beverage products. In addition, the firm supports the communities closest to its operations and takes action to safeguard the environment through sustainable business practices.

Editorial contact: Victoria Uwadoka, Corporate Communications, Public Affairs and Sustainability Lead, Nestlé Nigeria - Victoria.Uwadoka@ng.nestle.com