



Unilever Caribbean Limited

Unaudited Financial Statements

for the Half Year ended 30 June 2022

Expressed in Trinidad & Tobago Dollars

CHAIRMAN'S REVIEW

During the second quarter of 2022, the Company announced that it initiated a retrenchment exercise as a result of the expiration of its sole supply agreement and the subsequent cessation of local manufacturing, and related activities. As a result of the incurred restructuring expenses in the second quarter of \$37.4 million, the company recorded a loss for the quarter of \$18.1 million, and \$12.6 million for the half.

Excluding the one-off restructuring, the Company enjoyed a solid performance, managing to grow its operating profit for the quarter from \$7.3 million in the prior year to \$9.5 million, and for the half year from \$15.4 million to \$16.6 million. This, despite the continuously increasing pressure coming from the commodity and freight inflation. Cash declined from \$135.0 million to \$92.3 million as a result of the substantial dividend that was paid out during quarter 2.

Revenue also grew 16% for the quarter, and 10% for the half year, to \$66.4 and \$128.5 million respectively. This revenue growth was primarily driven by a robust performance in the local market across all categories, with a strong rebound of the Home Care segment and Foods categories in the export markets.

The transformation journey has changed the company into a more future-fit organisation, with a sustainable and profitable operation, and we especially appreciate the dedication that has been, and continues to be demonstrated by our staff during this process.


Rodrigo Sotomayor
Chairman

SUMMARY STATEMENT OF FINANCIAL POSITION

	Unaudited as at		Audited
	30 June 2022 \$'000	30 Jun 2021 \$'000	31 Dec 2021 \$'000
ASSETS			
Non-current assets			
Property, plant and equipment	6,431	68,464	8,943
Retirement benefit asset	140,147	111,537	137,039
Deferred tax asset	12,993	8,082	6,459
	159,571	188,083	152,441
Current assets			
Inventories	29,355	26,755	26,808
Taxation recoverable	7,575	9,559	7,575
Trade and other receivables	117,731	107,903	102,948
Due from related companies	85,494	43,067	176,388
Cash at bank and in hand	92,337	74,366	118,132
Assets held for sale	58,025	-	58,146
	390,517	261,650	489,997
Total assets	550,088	449,733	642,438
EQUITY AND LIABILITIES			
EQUITY			
Stated capital	26,244	26,244	26,244
Property revaluation surplus	36,568	36,568	36,568
Retained earnings	288,683	228,535	414,131
Total equity	351,495	291,347	476,943
LIABILITIES			
Non-current liabilities			
Retirement and termination benefit obligation	6,506	8,813	6,989
Lease liabilities	307	894	605
Deferred tax liabilities	41,354	36,206	40,104
	48,167	45,913	47,698
Current liabilities			
Trade and other payables	65,919	57,758	63,400
Lease liabilities	2,414	2,436	4,170
Provisions for other liabilities	43,601	5,342	15,750
Due to related companies	35,543	46,937	31,528
Liabilities directly associated with the assets held for sale	2,949	-	2,949
	150,426	112,473	117,797
Total liabilities	198,593	158,386	165,495
Total equity and liabilities	550,088	449,733	642,438

Jean-Marc Mouttet, Managing Director

Nicholas Gomez, Director

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

- Basis of preparation** - These summary financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB).
- Significant accounting policies** - The principal accounting policies applied in the preparation of these summary financial statements are consistent with those disclosed in the audited financial statements as at and for the year ended December 31, 2021, and have been consistently applied to all periods presented, unless otherwise stated.
- Discontinued operations** - 2021 has been re-presented to reflect only the continuing operations as a basis for suitable comparison. The details of the discontinued operations are presented in the table at the below.

	Unaudited		Audited
	3 months ended	6 months ended	
	30 June 2021 \$'000	30 June 2021 \$'000	31 Dec 2021 \$'000
Discontinued Operations			
Revenue	11,378	22,344	30,150
Cost of sales	(5,528)	(10,238)	(13,578)
Gross profit	5,850	12,106	16,572
Selling and distribution Costs	(2,100)	(4,245)	(5,876)
Operating profit	3,750	7,861	10,696
Taxation expense	(1,504)	(2,982)	(3,238)
Results from operating activities, net of tax	2,246	4,879	7,458
Gain on sale of discontinued operations	-	-	164,423
Profit from discontinued operations, net of tax	2,246	4,879	171,881

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Unaudited 3 months ended		Unaudited 6 months ended		Audited
	30 June 2022 \$'000	Re-presented 30 June 2021 \$'000	30 June 2022 \$'000	Re-presented 30 June 2021 \$'000	31 Dec 2021 \$'000
Continuing Operations					
Revenue	66,381	57,140	128,534	116,882	233,186
Cost of sales	(35,704)	(29,901)	(70,042)	(60,800)	(127,208)
Gross profit	30,677	27,239	58,492	56,082	105,978
Selling and distribution Costs	(17,442)	(15,646)	(34,096)	(32,228)	(62,936)
Administrative expenses	(4,436)	(4,246)	(8,823)	(8,556)	(17,615)
Impairment reversal (loss) on trade receivables	88	(48)	397	72	18
Gain on disposal of plant and equipment	652	-	652	-	-
Operating profit	9,539	7,299	16,622	15,370	25,445
Restructuring cost	(37,442)	-	(37,830)	-	(5,568)
Operating (loss) profit after restructuring	(27,903)	7,299	(21,208)	15,370	19,877
Finance income (expense) net	6	(96)	(159)	(204)	(635)
Other income	2,423	677	4,371	1,289	5,391
(Loss) profit before taxation	(25,474)	7,880	(16,996)	16,455	24,633
Taxation credit (expense)	7,300	(2,928)	4,396	(5,829)	(7,702)
(Loss) profit for the period	(18,174)	4,952	(12,600)	10,626	16,931
Discontinued operations					
Profit from discontinued operations, net of tax	-	2,246	-	4,879	171,881
(Loss) profit for the period	(18,174)	7,198	(12,600)	15,505	188,812
Other comprehensive income					
Re-measurements of defined benefit asset/ liability	-	-	-	-	25,055
Related tax	-	-	-	-	(7,516)
Total comprehensive (loss) income for the period	(18,174)	7,198	(12,600)	15,505	206,351
(Loss) Earnings per share- continuing operations	(0.69)	0.19	(0.48)	0.40	0.65
Earnings per share- discontinued operations	0.00	0.08	0.00	0.19	6.54
Total (Loss) Earnings Per Share	(0.69)	0.27	(0.48)	0.59	7.19

SUMMARY STATEMENT OF CASH FLOWS

	Unaudited 3 months ended		Unaudited 6 months ended		Audited
	30 June 2022 \$'000	Re-presented 30 June 2021 \$'000	30 June 2022 \$'000	Re-presented 30 June 2021 \$'000	31 Dec 2021 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
(Loss)/profit before taxation	(25,474)	7,880	(16,996)	16,455	24,633
Continuing Operations	-	3,749	-	7,861	175,119
Discontinued Operations	(1,822)	563	(1,368)	635	(161,120)
Adjustment for items not affecting working capital					
Operating profit before working capital changes	(27,296)	12,192	(18,364)	24,951	38,632
Net decrease/(increase) in working capital	98,420	8,785	108,063	(9,328)	(141,990)
Cash flows generated from/(used in) operating activities	71,124	20,977	89,699	15,623	(103,358)
Taxation & interest paid	(658)	(509)	(1,289)	(1,013)	(645)
Net cash generated from/(used in) operating activities	70,466	20,468	88,410	14,610	(104,003)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	-	-	39	-	7
Purchase of plant and equipment	-	-	-	(96)	(96)
Proceeds from sale of property, plant and equipment	773	-	773	2,466	2,466
Proceeds from sale of discontinued operations	-	-	-	-	169,846
Net cash generated from investing activities	773	-	812	2,370	172,223
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid	(112,849)	(15,746)	(112,849)	(15,746)	(20,995)
Payment of lease liabilities	(1,084)	(1,126)	(2,168)	(2,252)	(4,477)
Net cash flows used in financing activities	(113,933)	(16,872)	(115,017)	(17,998)	(25,472)
(Decrease)/increase in cash and cash equivalents	(42,694)	3,596	(25,795)	(1,018)	42,748
Cash and cash equivalents at beginning of period	135,031	70,770	118,132	75,384	75,384
Cash and cash equivalents at end of period	92,337	74,366	92,337	74,366	118,132
Represented by:					
Cash at bank and in hand	92,337	74,366	92,337	74,366	118,132

SUMMARY STATEMENT OF CHANGES IN EQUITY

	Stated Capital \$'000	Property Revaluation Surplus \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance as at 1 January, 2022	26,244	36,568	414,131	476,943
Total comprehensive income for the period	-	-	(12,599)	(12,599)
Dividends paid	-	-	(112,849)	(112,849)
Balance as at 30 June, 2022	26,244	36,568	288,683	351,495
Balance as at 1 January, 2021	26,244	36,568	228,775	291,587
Total comprehensive income for the period	-	-	15,505	15,505
Dividends payable	-	-	(15,746)	(15,746)
Balance as at 30 June, 2021	26,244	36,568	228,534	291,346
Balance as at 1 January, 2021	26,244	36,568	228,775	291,587
Total comprehensive income for the period	-	-	206,351	206,351
Dividends paid	-	-	(20,995)	(20,995)
Balance as at 31 December, 2021	26,244	36,568	414,131	476,943