



Unilever Nigeria Plc
Unaudited Interim Financial Statements
For the Nine Months ended 30 September 2023

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**Statement of profit or loss and other comprehensive income
 For three months ended**

	Note	30 Sept 2023 N'000	30 Sept 2022 N'000
Revenue	7	27,371,096	20,962,074
Cost of sales		<u>(21,058,971)</u>	<u>(17,981,095)</u>
Gross profit		6,312,125	2,980,979
Selling and distribution expenses		(1,179,749)	(1,185,493)
Marketing and administrative expenses		(4,669,156)	(4,433,043)
Impairment (loss)/write back on trade receivables		(61,816)	2,056
Other income		<u>45,280</u>	<u>28,300</u>
Operating profit / (loss)		446,684	(2,607,201)
Finance income		977,435	430,404
Finance costs		<u>(1,034,819)</u>	<u>(328,891)</u>
Net finance (costs) / Income		(57,384)	101,513
Profit / (Loss) before taxation		<u>389,300</u>	<u>(2,505,688)</u>
Taxation		<u>(1,481,092)</u>	<u>251,017</u>
Loss from continuing operations		<u>(1,091,792)</u>	<u>(2,254,671)</u>
Loss for the period		<u><u>(1,091,792)</u></u>	<u><u>(2,254,671)</u></u>
Attributable to:			
Equity holders		<u><u>(1,091,792)</u></u>	<u><u>(2,254,671)</u></u>
Earnings per share for profit attributable to equity holders:			
Basic and diluted earnings per share (Naira)		<u><u>(0.19)</u></u>	<u><u>(0.39)</u></u>

The accompanying notes from page 10-21 form an integral part of these financial statements.

**Statement of profit or loss and other comprehensive income
 For nine months ended**

	Note	30 Sept 2023 N'000	30 Sept 2022 N'000
Revenue	7	81,576,822	64,768,547
Cost of sales	8	<u>(62,174,256)</u>	<u>(47,586,618)</u>
Gross profit		19,402,566	17,181,929
Selling and distribution expenses		(3,738,568)	(3,470,109)
Marketing and administrative expenses	9	(12,310,834)	(13,317,158)
Impairment (loss)/write back on trade receivables		(1,722,918)	54,079
Other income	10	<u>98,012</u>	<u>94,959</u>
Operating profit		1,728,258	543,700
Finance income	11	2,731,573	886,911
Finance costs	11	448,018	(957,491)
Net finance Income/(costs)	11	<u>3,179,591</u>	<u>(70,580)</u>
Profit before taxation		4,907,849	473,120
Taxation	12	<u>(3,237,907)</u>	<u>(821,128)</u>
Profit / (Loss) from continuing operations		1,669,942	(348,008)
Profit / (Loss) for the period		<u>1,669,942</u>	<u>(348,008)</u>
Attributable to:			
Equity holders		<u>1,669,942</u>	<u>(348,008)</u>
Earnings per share for profit attributable to equity holders:			
Basic and diluted earnings per share (Naira)		<u>0.29</u>	<u>(0.06)</u>

The accompanying notes from page 10-21 form an integral part of these financial statements.

Statement of profit or loss and other comprehensive income (Continued)

For three months ended

	30 Sept 2023	30 Sept 2022
	N'000	N'000
Other comprehensive income	-	-
Loss for the period	<u>(1,091,792)</u>	<u>(2,254,671)</u>
Total comprehensive income /(loss)	<u><u>(1,091,792)</u></u>	<u><u>(2,254,671)</u></u>
Attributable to:		
Equity holders	<u><u>(1,091,792)</u></u>	<u><u>(2,254,671)</u></u>

For nine months ended

	30 Sept 2023	30 Sept 2022
	N'000	N'000
Other comprehensive income	-	-
Profit / (Loss) for the period	<u>1,669,942</u>	<u>(348,008)</u>
Total comprehensive income /(loss)	<u><u>1,669,942</u></u>	<u><u>(348,008)</u></u>
Attributable to:		
Equity holders	<u><u>1,669,942</u></u>	<u><u>(348,008)</u></u>

The accompanying notes from page 10-21 form an integral part of these financial statements.

**Statement of Financial Position
 As at 30 September 2023**

	Note	30 Sept 2023 N'000	31 December 2022 N'000
Assets			
Non-current assets			
Property, plant and equipment	13	21,006,831	21,490,568
Intangible assets		2,792	3,081
		<u>21,009,623</u>	<u>21,493,649</u>
Current assets			
Inventories	14	16,470,552	16,331,854
Trade and other receivables	15	24,121,843	21,246,606
Cash and bank balances	16	73,802,277	66,317,783
		<u>114,394,672</u>	<u>103,896,243</u>
Total assets		<u><u>135,404,295</u></u>	<u><u>125,389,892</u></u>
Liabilities			
Current liabilities			
Trade and other payables	17	60,683,142	52,404,796
Current tax liabilities		1,833,270	2,972,361
		<u>62,516,412</u>	<u>55,377,157</u>
Non-current liabilities			
Deferred tax liabilities		2,913,723	1,473,440
Unfunded retirement benefit obligations	18	381,622	363,826
Retirement benefit obligations	18	322,875	291,205
Long service award obligations	18	332,315	319,548
Other long term payables	19	1,138,941	-
		<u>5,089,476</u>	<u>2,448,019</u>
Total liabilities		<u><u>67,605,888</u></u>	<u><u>57,825,176</u></u>

Statement of Financial Position (continued)
As at 30 September 2023

	Note	30 Sept 2023	31 December 2022
		N'000	N'000
Equity			
Ordinary share capital	22	2,872,503	2,872,503
Share premium	22	56,812,810	56,812,810
Retained earnings		8,113,094	7,879,403
Total equity		<u>67,798,407</u>	<u>67,564,716</u>
Total equity and liabilities		<u>135,404,295</u>	<u>125,389,892</u>

The financial statements were approved for issue by the Board of Directors on 19 October 2023 and signed on its behalf by:



His Majesty N.A. Achebe CFR, MNI
Chairman
 FRC/2013/NIM/00000001568



Tim Kleinebenne*
Managing Director



Folake Ogundipe
National Finance Director
 FRC/2019/ICAN/00000019604

*FRC has granted a waiver for Tim Kleinebenne to sign the quarter 3 unaudited interim financial statements without FRC Number under special considerations.

The accompanying notes from page 10-21 form an integral part of these financial statements.

**Statement of Changes in Equity
 For nine months ended**

	Share capital N'000	Share premium N'000	Retained earnings N'000	Total N'000
Balance at 1 January 2022	2,872,503	56,812,810	6,076,355	65,761,668
Total comprehensive income for the period				
Loss for the period	-	-	(348,008)	(348,008)
Other comprehensive income				
Remeasurement on post employment benefit obligations, net of tax	-	-	-	-
	-	-	(348,008)	(348,008)
Transactions with owners				
Dividend declared	-	-	(2,872,503)	(2,872,503)
Balance at 30 September 2022	<u>2,872,503</u>	<u>56,812,810</u>	<u>2,855,844</u>	<u>62,541,157</u>
Balance at 1 January 2023	2,872,503	56,812,810	7,879,403	67,564,716
Total comprehensive income for the period				
Profit for the period	-	-	1,669,942	1,669,942
Other comprehensive income				
Remeasurement on post employment benefit obligations, net of tax	-	-	-	-
	-	-	1,669,942	1,669,942
Transactions with owners				
Dividend declared	-	-	(1,436,251)	(1,436,251)
	-	-	(1,436,251)	(1,436,251)
Balance at 30 September 2023	<u>2,872,503</u>	<u>56,812,810</u>	<u>8,113,094</u>	<u>67,798,407</u>

The accompanying notes from page 10-21 form an integral part of these financial statements.

**Statement of Cash Flows
 For nine months ended**

	Note	30 Sept 2023 N'000	30 Sept 2022 N'000
Cash flows from operating activities			
Cash generated from operations	20	8,618,559	6,496,436
Retirement benefits paid		(203,073)	(208,331)
Long service award obligations paid		(46,665)	(31,313)
Tax paid		(1,661,055)	(297,003)
Net cash flow generated from operating activities		<u>6,707,767</u>	<u>5,959,788</u>
Cash flows from investing activities			
Interest received	11	2,731,573	886,911
Purchase of property, plant and equipment	13	(1,347,932)	(759,688)
Proceeds from sale of assets held for sale		-	387,000
Proceeds from sale of property, plant and equipment		17,101	7,487
Net cash flows from investing activities		<u>1,400,742</u>	<u>521,710</u>
Cash flows from financing activities			
Interest paid		(115,894)	(113,603)
Dividend paid		(508,121)	(518,445)
Net cash used in financing activities		<u>(624,015)</u>	<u>(632,048)</u>
Net increase in cash and cash equivalents		7,484,494	5,849,451
Cash and cash equivalents at the beginning of the period		<u>66,317,783</u>	<u>55,697,537</u>
Cash and cash equivalents at the end of the period	16	<u><u>73,802,277</u></u>	<u><u>61,546,988</u></u>

The accompanying notes from page 10-21 form an integral part of these financial statements.

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1. General information

Unilever Nigeria Plc. is incorporated in Nigeria as a public limited liability company under the Companies and Allied Matters Act (CAP C20) Laws of the Federation of Nigeria, 2004 and is domiciled in Nigeria. The company's shares are listed on the Nigerian Exchange Group.

The company is principally involved in the manufacture and marketing of Foods and refreshments, Home care and Beauty and personal care products. It has manufacturing sites in Oregun, Lagos State and Agbara, Ogun State.

2. Dealings in Unilever Nigeria Plc. Shares

The Company has adopted a code of conduct regarding securities transactions by its directors on terms no less exacting than the required standard set out in the rules of the Nigerian Exchange Group.

Having made specific enquiry of all directors, Unilever Nigeria Plc directors have complied with the required standard set out in the rules of the Nigerian Exchange Group and in the Unilever Nigeria Plc code of conduct regarding securities transactions by directors.

3. Basis of preparation

These interim financial statements for the the period ended 30 September 2023 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2022, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

4. Significant accounting policies

The accounting policies adopted are consistent with those of the previous audited financial year.

5. Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2022.

6. Financial risk management

Financial risk factors

Unilever's activities expose it to a variety of financial risks: market risk (foreign exchange risk), credit risk and liquidity risk. Unilever's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on Unilever's financial performance.

Risk management is carried out by a Treasury Department under policies approved by Board of Directors. Unilever's Treasury Department identifies, evaluates and manages financial risks in close co-operation with Unilever's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. These policies are mostly Unilever Global Policies adopted for local use.

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Company's annual financial statements as at 31 December 2022. There have been no changes in the risk management structure since year end or in any risk management policy.

6.1. Financial risk factors

(a) Market risk

(i) Currency risk - Transactions in foreign currency

Unilever is exposed to foreign exchange risk arising from various currency exposures. The currencies in which these transactions are primarily denominated are US dollars, Pound sterling, Euro and Rand. The currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company manages this risk mainly by hedging through foreign exchange currency contracts.

(ii) Cash flow and fair value interest rate risk

Unilever's interest rate risk arises from bank overdrafts and bank loans. Overdrafts issued at variable rates expose Unilever to cash flow interest rate risk. Borrowings issued at fixed rates expose Unilever to fair value interest rate risk.

Unilever analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and alternative financing. Based on these scenarios, Unilever calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers

Concentration of credit risk with respect to trade receivables is limited, due to the Company's customer base being diverse. Credit terms for customers are determined on individual basis. Credit risk relating to trade receivables is managed by reference to the customers' credit limit, inventory balance, cash position and secondary sales to final consumers.

The carrying amounts of financial assets and contract assets represent the maximum credit exposure

(c) Liquidity risk

Liquidity risk is the risk that Unilever will face difficulty in meeting its obligations associated with its financial liabilities. Unilever's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine Unilever's credibility, impair investor confidence and also restrict Unilever's ability to raise funds.

Cash flow from operating activities provides the funds to service the financing of financial liabilities on a day-to-day basis. Unilever seeks to manage its liquidity requirements by maintaining relationships with different financial institutions through short-term and long-term credit facilities.

Cash flow forecasting is performed in Unilever. Unilever's finance team monitors rolling forecasts of Unilever's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that Unilever does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration Unilever's debt financing plans, covenant compliance and compliance with gearing ratios.

Where current liabilities exceed current assets, the Company seeks to manage its liquidity requirements by maintaining access to bank lending which are renewable annually.

At the reporting date, Unilever held cash in bank was N73.8 billion (31 December 2022: N66.3 billion).

7. Segment reporting

The chief operating decision-maker has been identified as the Leadership Team (LT) of Unilever Nigeria Plc. The Leadership Team reviews Unilever’s monthly financial and operational information in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. The Leadership Team consider the business from a product category perspective. Unilever is segmented into Food Products (FP), Home & Personal Care Products (HPC).

Foods – including sale of savoury.

Home & Personal Care – including sale of skin care and oral care products, fabric care and household cleaning

There are no intersegmental sales and Nigeria is the company's primary geographical segment as it comprises 98% of the company's sales.

	Food Products	Home & Personal Care	Total
	N'000	N'000	N'000
3 months ended 30 September 2023			
Revenue	15,132,957	12,238,139	27,371,096
Depreciation and amortisation	(595,648)	(542,169)	(1,137,817)
Operating profit	246,963	199,721	446,684
Finance income	540,405	437,030	977,435
Finance cost	(572,132)	(462,687)	(1,034,819)
Profit before taxation			<u>389,300</u>
3 months ended 30 September 2022			
Revenue	10,789,512	10,172,561	20,962,073
Depreciation and amortisation	(308,814)	(290,775)	(599,589)
Operating profit	(1,171,948)	(1,435,253)	(2,607,201)
Finance income	212,778	217,626	430,404
Finance cost	(168,125)	(160,766)	(328,891)
Loss before taxation			<u>(2,505,688)</u>
9 months ended 30 September 2023			
Revenue	43,182,331	38,394,491	81,576,822
Depreciation and amortisation	(888,120)	(789,649)	(1,677,769)
Operating profit	914,846	813,412	1,728,258
Finance income	1,445,946	1,285,627	2,731,573
Finance cost	237,156	210,862	448,018
Profit before taxation			<u>4,907,849</u>

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9 months ended 30 September 2022	N'000	N'000	N'000
Revenue	30,661,328	34,107,219	64,768,547
Depreciation and amortisation	(881,708)	(980,800)	(1,862,508)
Operating profit	257,387	286,313	543,700
Finance income	419,862	467,049	886,911
Finance cost	(453,275)	(504,216)	(957,491)
Profit before taxation			<u>473,120</u>

Turnover over by geographical location

	Domestic (within Nigeria) N'000	Export (outside Nigeria) N'000	Total N'000
3 Months ended 30 September 2023	26,854,885	516,211	27,371,096
3 Months ended 30 September 2022	20,676,864	285,209	20,962,074
9 Months ended 30 September 2023	79,542,859	2,033,963	81,576,822
9 Months ended 30 September 2022	63,776,464	992,083	64,768,547

The Company recognises revenue at a point in time when it transfers control over a product or service to a customer.

The Company has 84 key distributors, and one key distributor accounted for more than 5% of the Company's revenue.

Following the announcement made on 17th March, 2023 by Unilever Nigeria Plc to exit the home care and skin cleansing category. The production for home care category ceased in June 2023 and sales ceased in September, 2023. The financial reporting is still being assessed and will be fully accounted for by year end reporting. The production and sale for skin cleansing category has been extended to December 2023.

8. Cost of Sales

	2023 N'000	2022 N'000
Cost of good sold	52,601,891	46,660,233
Revaluation Loss (Note 8.1)	6,297,594	406,691
Restructuring Cost (Note 8.2)	3,274,771	519,694
	<u>62,174,256</u>	<u>47,586,618</u>

8.1. Revaluation loss arising from foreign currencies denominated balances in respect of trade loan.

8.2. Restructuring cost are raw and packaging materials written off due to stoppage of production in home care category and associated redundancy cost.

9. Marketing and administrative expenses

	2023	2022
	N'000	N'000
Brand and marketing	4,975,879	4,588,940
Overheads (Notes 9.1)	5,820,599	7,118,651
Service Fees	1,514,356	1,609,567
	<u>12,310,834</u>	<u>13,317,158</u>

9.1 Included in overheads is N1.3bn revaluation gains on foreign currency denominated receivables.

10. Other income

	2023	2022
	N'000	N'000
Transitional Service Agreement income (Note 10.1)	98,012	94,959
	<u>98,012</u>	<u>94,959</u>

10.1 Subsequent to the disposal of the Tea business in October 2021, Unilever Nigeria entered into a Transitional Service Agreement ("the Agreement") with the new owner (Ekaterra Plant based Ltd) until June 2023. Effective 1st July, 2023, Unilever Nigeria entered into a Manufacturing Services Agreement for production of tea with Ekaterra Plant based Ltd in exchange for a fee.

11 Net Finance income / (cost)

	2023	2022
Finance Income (Note 11.1)	2,731,573	886,911
Finance Cost (Note 11.2)	448,018	(957,491)
	<u>3,179,591</u>	<u>(70,580)</u>

11.1 Finance income

	2023	2022
	N'000	N'000
Interest on call deposits and bank accounts	2,731,573	886,911
	<u>2,731,573</u>	<u>886,911</u>

11.2 Finance cost

	2023	2022
	N'000	N'000
Interest on third party bank loans	2,357,367	364,744
Exchange difference on bank accounts (Gain)/Loss	(2,921,279)	479,144
Employee benefit charge	115,894	113,603
	<u>(448,018)</u>	<u>957,491</u>

12. Taxation

Income tax expense is recognised based on management's estimate of the weighted average annual income tax rate expected for the period.

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13. Property, plant and equipment (PPE)

	Capital work- in-progress N'000	Lease hold land N'000	Buildings N'000	Plant and machinery N'000	Furniture and equipment N'000	Motor vehicles N'000	Total N'000
Cost							
1 January 2022	955,640	433,640	12,757,446	27,599,939	1,437,201	1,503,790	44,687,655
Additions	1,559,536	-	-	-	-	-	1,559,536
Disposals	-	-	(36,298)	(2,122,554)	(32,375)	(160,514)	(2,351,740)
Transfers	(735,548)	-	231,593	431,706	31,915	40,334	-
At 31 December 2022	1,779,628	433,640	12,952,741	25,909,091	1,436,741	1,383,610	43,895,451
Additions	1,347,932	-	-	-	-	-	1,347,932
Disposals	-	-	-	(6,257)	(6,557)	(115,819)	(128,633)
Transfers	(2,210,849)	-	184,642	817,509	403,256	805,443	-
Write-offs	(105,567)	-	-	(48,254)	-	-	(153,821)
At 30 September 2023	811,144	433,640	13,137,383	26,672,089	1,833,439	2,073,234	44,960,928
<u>Depreciation / impairment</u>							
1 January 2022	-	3,190	3,809,215	16,609,454	1,035,057	854,453	22,311,369
Depreciation charge for the year	-	-	373,465	1,639,099	160,153	247,582	2,420,298
Disposals	-	-	(35,807)	(2,116,788)	(18,878)	(155,310)	(2,326,784)
At 31 December 2022	-	3,190	4,146,872	16,131,765	1,176,331	946,725	22,404,883
Depreciation charge for the period	-	-	285,518	1,139,509	74,872	177,581	1,677,480
Disposals	-	-	-	(6,186)	(6,557)	(115,522)	(128,265)
At 30 September 2023	-	3,190	4,432,390	17,265,088	1,244,646	1,008,784	23,954,098
<u>Net book value:</u>							
At 1 January 2021	955,640	430,450	8,948,231	10,990,485	402,143	649,338	22,376,287
At 31 December 2022	1,779,628	430,450	8,805,869	9,777,326	260,410	436,886	21,490,568
At 30 September 2023	811,144	430,450	8,704,992	9,407,001	588,793	1,064,450	21,006,831

14. Inventories

	30 September 2023 N'000	31 December 2022 N'000
Raw and packaging materials	10,562,419	12,422,867
Work in progress	225,090	546,310
Finished goods	4,157,424	2,029,402
Engineering spares and other inventories	1,174,164	981,820
Right to recover returned goods	351,455	351,455
	<u>16,470,552</u>	<u>16,331,854</u>

15. Trade and other receivables

	30 September 2023 N'000	31 December 2022 N'000
Trade receivables: gross	8,310,671	5,243,534
Less: rebate accruals	(705,849)	(580,948)
Less impairment	<u>(998,938)</u>	<u>(1,424,010)</u>
Trade receivables: net	6,605,884	3,238,576
Advances and prepayments	8,630,413	9,673,972
Cash with registrar	410,549	529,497
Interest receivable	526,954	225,880
Other receivables	21,017	4,068,199
Due from related parties (Note 20(iii))	6,934,645	1,972,574
Deposit for imports (Note 15.1)	992,381	1,537,908
	<u>24,121,843</u>	<u>21,246,606</u>

15.1 Deposit for imports represents foreign currencies purchased for funding letter of credits in respect of imported raw materials.

16. Cash and cash equivalents

	30 September 2023 N'000	31 December 2022 N'000
Cash at bank and in hand	25,543,164	29,639,295
Fixed deposit	48,259,113	36,678,488
Cash and bank balances	<u>73,802,277</u>	<u>66,317,783</u>

17. Trade and other payables

	30 September 2023 N'000	31 December 2022 N'000
Trade payables	20,286,906	14,757,595
Trade finance facility (Note 17.2)	7,253,565	13,556,275
Amount due to related companies (Note 20.2)	10,816,257	6,276,585
Dividend payable (Note 17.1)	9,325,691	8,543,165
Accrued liabilities	6,345,609	4,982,890
Accrued brand and marketing expenses	987,227	686,708
Accrued shipping and freight charges	1,090,000	1,103,981
	<u>56,105,255</u>	<u>49,907,199</u>

17. Trade and other payables (continued)

	30 September 2023 N'000	31 December 2022 N'000
<i>Other payables:</i>		
Refund liabilities	-	442,313
Statutory deductions	2,273,295	641,088
Non trade payables	<u>2,304,592</u>	<u>1,414,196</u>
	4,577,887	2,497,597
Total trade and other payables	<u>60,683,142</u>	<u>52,404,796</u>

	30 September 2023 N'000	31 December 2022 N'000
17.1 Dividend payable		
As at 1 January	8,543,165	6,413,241
Dividend declared	1,436,251	2,872,503
Withholding tax payable	(203,789)	(230,310)
Cash paid to registrar in maintaining statutory minimum balance (Note 17.1 (a))	88,566	(61,410)
Dividend unclaimed by shareholders	(30,382)	172,909
Dividend paid	<u>(508,121)</u>	<u>(623,767)</u>
As at period/ year end	<u>9,325,691</u>	<u>8,543,165</u>

17.1.(a) Balance represents a net amount of N120m paid to GTL registrars and a refund of N208m being excess cash held with registrar.

17.2 The Company is involved in trade financing arrangements with some local banks where the banks agree to pay amounts to foreign vendors in respect of invoices owed by the Company and receives settlement from the Company at a later date. The principal purpose of the arrangement is to facilitate efficient payment processing in view of the challenges being experienced with sourcing foreign currency in the Nigerian market. The arrangement enables the Company settle its foreign obligations in a timely manner to facilitate receipt of key input materials required in the production of finished goods.

18. Retirement benefit obligations

The amounts recognised in the statement of financial position are determined as follows:

	30 September 2023 N'000	31 December 2022 N'000
Present value of funded retirement benefit obligations	(1,476,187)	(1,810,481)
Fair value of plan assets	<u>1,153,312</u>	<u>1,519,276</u>
Retirement benefit deficit	(322,875)	(291,205)
Present value of unfunded retirement benefit obligations	(381,622)	(363,826)
Long service award obligations	<u>(332,315)</u>	<u>(319,548)</u>
Net liability in the statement of financial position	<u>(1,036,812)</u>	<u>(974,579)</u>

19 Other long term Payables

Other long term payables relates to investment from Wecyclers outcomes partnership for the innovative "Development Impact Bond" structured by French investment bank Societe Generale which will allow Wecyclers to expand plastic waste collection in Nigeria.

20 Cash flows from operating activities

	30 September 2023	30 September 2022
	N'000	N'000
Profit before tax	4,907,849	473,120
Adjustment for non-cash items:		
- Depreciation of property, plant and equipment	1,677,480	1,862,217
- Amortisation of intangible assets	289	291
- Loss on disposal of property, plant and equipment	368	(258,921)
- Assets held for sales	-	(124,742)
- Finance income	(2,731,573)	(886,911)
- Finance expense*	115,894	113,603
- Net change in retirement benefit obligations	252,539	274,232
- Long service award obligations	59,432	62,369
Changes in working capital:		
- Increase in trade and other receivables	(2,875,237)	(6,366,019)
- Decrease in inventory	(138,698)	(3,016,661)
- Increase in trade and other payables	7,350,216	14,363,860
Cash flows generated from operating activities	<u>8,618,559</u>	<u>6,496,436</u>

* Finance expense relates employee benefit charge (Note 11.2)

21 Related party transactions

(i) Sale of finished goods to related parties

	30 September 2023	30 September 2022
	N'000	N'000
Unilever Asia Private Limited	72,305	-
Unilever Ghana Limited	-	220,360
Unilever Cote D'Ivoire	1,961,658	771,723
	<u>2,033,963</u>	<u>992,083</u>

(ii) Outstanding related party balances as at:

	30 September 2023	31 December 2022
	N'000	N'000
<i>Receivables from related parties:</i>		
Unilever Cote D'Ivoire	6,862,777	3,119,662
Unilever Ghana Limited	1,949,004	1,258,195
Unilever U.K. Central Resources Limited	3,361,949	1,937,641
Other related parties	809,222	13,360
Gross receivables	<u>12,982,952</u>	<u>6,328,858</u>
Less impairment	(6,048,307)	(4,356,284)
Amount due from related companies (Note 15)	<u>6,934,645</u>	<u>1,972,574</u>

21 **Related party transactions continued**

	30 September 2023	31 December 2022
	N'000	N'000
<i>Payables to related parties:</i>		
Unilever UK Plc	6,716,594	5,202,263
Unilever Europe Business Center BV	2,276,305	-
Unilever Asia Private	61,470	42
Unilever Cote D'Ivoire	1,479,051	526,963
Unilever Ghana Limited	162,740	201,166
Other related parties	120,095	346,150
Amount due to related companies per note 17	10,816,257	6,276,585
Unilever Overseas Holding (Dividend payable)	5,627,867	4,814,959
Total amount due to related parties	16,444,122	11,091,544

22 **Share capital and share premium**

	Number of ordinary shares (thousands)	Ordinary shares N'000	Share premium N'000
Balance as at 31 December 2022 and 30 September 2023	5,745,005	2,872,503	56,812,810

The share capital of the Company is Two Billion, Eight Hundred and Seventy-Two Million, Five Hundred and Two Thousand, Seven Hundred and Eight Naira, Fifty Kobo (N2,872,502,708.50) divided into Five Billion, Seven Hundred and Forty-Five Million, Five Thousand, Four Hundred and Seventeen (5,745,005,417) Ordinary shares of 50 Kobo each

(a) **Shareholding Pattern as at 30 September, 2023**

Shareholders	Number of Ordinary Shares	Percentage Holdings
Unilever Overseas	4,364,161,812	75.96
Stanbic Nominees Limited	252,259,044	4.39
Free float	1,128,584,561	19.64
Total	5,745,005,417	100.00
Total Free Float	1,380,843,605	24.04

Compliance with Free float Requirements

Unilever Nigeria Plc. as at 30 September, 2023 is compliant with the Free float requirement for the Main Board of the Nigerian Exchange Group.