



Unilever Nigeria Plc
Unaudited Interim Financial Statements
For the Six Months ended 30 June 2022

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

		30 June 2022	30 June 2021
	Note	N'000	N'000
Revenue	7	23,246,014	16,338,643
Cost of sales		<u>(16,219,082)</u>	<u>(11,886,333)</u>
Gross profit		7,026,932	4,452,310
Selling and distribution expenses		(1,274,257)	(749,145)
Marketing and administrative expenses		(4,827,155)	(3,434,266)
Impairment loss on trade and intercompany receivables		7,029	(235)
Other income		<u>30,751</u>	<u>29,251</u>
Operating profit		963,300	297,915
Finance income		172,443	463,871
Finance costs		<u>(507,467)</u>	<u>(11,094)</u>
Net finance costs		(335,024)	452,777
Profit before minimum taxation		628,276	750,692
Minimum tax expense		-	(100,139)
Profit before taxation		<u>628,276</u>	<u>650,553</u>
Taxation		<u>(517,909)</u>	<u>353,265</u>
Profit from continuing operations		<u><u>110,367</u></u>	<u><u>1,003,818</u></u>
Discontinued operations			
Profit from discontinued operations		-	202,958
Profit for the period		<u><u>110,367</u></u>	<u><u>1,206,776</u></u>
Attributable to:			
Equity holders		<u><u>110,367</u></u>	<u><u>1,206,776</u></u>
Earnings per share for profit attributable to equity holders:			
Basic and diluted earnings per share (Naira)		<u><u>0.02</u></u>	<u><u>0.21</u></u>

The accompanying notes form an integral part of these financial statements.

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

		30 June 2022	30 June 2021
	Note	N'000	N'000
Revenue	7	43,806,473	32,420,998
Cost of sales		<u>(29,605,523)</u>	<u>(24,204,349)</u>
Gross profit		14,200,950	8,216,648
Selling and distribution expenses		(2,284,616)	(1,476,991)
Marketing and administrative expenses	8	(8,884,115)	(6,713,260)
Impairment loss on trade receivables		52,023	(235)
Other income	9	<u>66,659</u>	<u>0</u>
Operating profit		3,150,901	26,163
Finance income	10	456,507	650,661
Finance costs	11	<u>(628,600)</u>	<u>(45,465)</u>
Net finance costs		(172,093)	605,196
Profit before minimum taxation		2,978,808	631,359
Minimum tax expense		<u>-</u>	<u>(197,239)</u>
Profit before taxation		2,978,808	434,120
Taxation	12	<u>(1,072,145)</u>	<u>3,263</u>
Profit from continuing operations		1,906,663	437,383
Discontinued operations			
Profit from discontinued operations	23	<u>-</u>	<u>277,397</u>
Profit for the period		<u><u>1,906,663</u></u>	<u><u>714,780</u></u>
Attributable to:			
Equity holders		<u><u>1,906,663</u></u>	<u><u>714,780</u></u>
Earnings per share for profit attributable to equity holders:			
Basic and diluted earnings per share (Naira)		<u><u>0.33</u></u>	<u><u>0.12</u></u>

The accompanying notes form an integral part of these financial statements.

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

	30 June 2022	30 June 2021
	N'000	N'000
Other comprehensive income	-	-
Profit for the period	<u>110,367</u>	<u>1,206,776</u>
Total comprehensive income	<u><u>110,367</u></u>	<u><u>1,206,776</u></u>
Attributable to:		
Equity holders	<u><u>110,367</u></u>	<u><u>1,206,776</u></u>

For six months ended

	30 June 2022	30 June 2021
	N'000	N'000
Other comprehensive income	-	-
Profit for the period	<u>1,906,663</u>	<u>714,780</u>
Total comprehensive income	<u><u>1,906,663</u></u>	<u><u>714,780</u></u>
Attributable to:		
Equity holders	<u><u>1,906,663</u></u>	<u><u>714,780</u></u>

The accompanying notes form an integral part of these financial statements.

Statement of Financial Position As at 30 June 2022

	Note	30 June 2022 N'000	31 December 2021 N'000
Assets			
Non-current assets			
Property, plant and equipment	13	21,752,400	22,376,286
Intangible assets		3,272	3,467
		<u>21,755,672</u>	<u>22,379,753</u>
Current assets			
Inventories	14	14,590,757	14,956,332
Trade and other receivables	15	18,993,199	14,992,655
Cash and bank balances	16	63,396,503	55,697,537
Assets held for sale	22	262,258	262,258
		<u>97,242,717</u>	<u>85,908,782</u>
Total assets		<u>118,998,389</u>	<u>108,288,535</u>
Liabilities			
Current liabilities			
Trade and other payables	17	50,609,958	39,739,074
Income tax		633,023	478,615
		<u>51,242,981</u>	<u>40,217,689</u>
Non-current liabilities			
Deferred tax liabilities		1,647,576	1,063,404
Unfunded retirement benefit	18	471,683	454,713
Retirement benefit obligations	18	448,255	421,291
Long service award obligations	18	392,066	369,770
		<u>2,959,580</u>	<u>2,309,178</u>
Total liabilities		<u>54,202,561</u>	<u>42,526,867</u>

Statement of Financial Position (continued)
As at 30 June 2022

	Note	30 June 2022	31 December 2021
		N'000	N'000
Equity			
Ordinary share capital	21	2,872,503	2,872,503
Share premium	21	56,812,810	56,812,810
Retained earnings		5,110,515	6,076,355
Total equity		64,795,828	65,761,668
Total equity and liabilities		118,998,389	108,288,535

The financial statements were approved for issue by the Board of Directors on 14 July 2022 and signed on its behalf by:

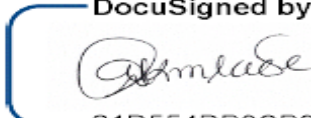


His Majesty N.A. Achebe CFR, MNI
 Chairman

FRC/2013/NIM/00000001568



Carl Cruz
 Managing Director
 FRC/2022/PRO/DIR/003/023
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DocuSigned by:

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Folake Ogundipe
 National Finance Director

FRC/2019/ICAN/00000019604

The accompanying notes form an integral part of these financial statements.

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

	Share capital N'000	Share premium N'000	Retained earnings N'000	Total N'000
Balance at 1 January 2021	2,872,503	56,812,810	6,843,037	66,528,350
Total comprehensive income for				
Profit for the period	-	-	714,780	714,780
Other comprehensive income				
Remeasurement on post employment benefit obligations, net of tax	-	-	-	-
	-	-	714,780	714,780
Balance at 30 June 2021	<u>2,872,503</u>	<u>56,812,810</u>	<u>7,557,817</u>	<u>67,243,130</u>
Balance at 1 January 2022	2,872,503	56,812,810	6,076,355	65,761,668
Total comprehensive income for the period				
Profit for the period	-	-	1,906,663	1,906,663
Other comprehensive income				
Remeasurement on post employment benefit obligations, net of tax	-	-	-	-
	-	-	1,906,663	1,906,663
Transactions with owners				
Dividend declared	-	-	(2,872,503)	(2,872,503)
	-	-	(2,872,503)	(2,872,503)
Balance at 30 June 2022	<u>2,872,503</u>	<u>56,812,810</u>	<u>5,110,515</u>	<u>64,795,828</u>

The accompanying notes form an integral part of these financial statements.

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

		30 June 2022	30 June 2021
	Note	N'000	N'000
Cash flows from operating activities			
Cash generated from operations	19	8,829,187	7,288,754
Retirement benefits paid		(145,800)	(140,663)
Long service award obligations paid		(19,283)	(99,501)
Tax paid		(385,640)	-
Net cash flow generated from operating activities		<u>8,278,464</u>	<u>7,048,590</u>
Cash flows from investing activities			
Interest received	10	456,507	334,715
Purchase of property, plant and equipment	13	(638,837)	(311,967)
Net cash flows/ (used) in investing activities		<u>(182,330)</u>	<u>22,748</u>
Cash flows from financing activities			
Interest payment		(75,736)	-
Dividend paid		(321,432)	-
Net cash used in financing activities		<u>(397,168)</u>	<u>-</u>
Net increase in cash and cash equivalents		7,698,966	7,071,338
Cash and cash equivalents at the beginning of the period		<u>55,697,537</u>	<u>37,100,827</u>
Cash and cash equivalents at the end of the period	16	<u><u>63,396,503</u></u>	<u><u>44,172,165</u></u>

The accompanying notes 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 Stock Exchange (NSE).

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 Stock Exchange.

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 Stock Exchange 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 31 June 2022 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 2021, 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 2021.

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 2021. 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 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

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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 N63.5 billion (31 December 2021: N55.7 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 99% of the company's sales.

The Leadership Team assesses the performance based on operating profits for each operating segment that is reviewed. Total financing (including interest income and expense), income taxes and retirement benefit obligations are managed on an entity-wide basis and are not allocated to operating segments.

	Food Products	Home & Personal Care	Total
3 months ended 30 June 2022	N'000	N'000	N'000
Revenue	10,431,049	12,814,965	23,246,014
Depreciation and amortisation	(279,762)	(344,761)	(624,523)
Segmental operating profit	432,256	531,044	963,300
Finance income	77,379	95,064	172,443
Finance cost	(227,713)	(279,754)	(507,467)
Profit before taxation			<u>628,276</u>
3 months ended 30 June 2021	N'000	N'000	N'000
Revenue	7,185,929	9,152,714	16,338,643
Depreciation and amortisation	(357,678)	(455,574)	(813,252)
Segmental operating profit	131,026	166,888	297,915
Finance income	248,539	215,332	463,871
Finance cost	(4,879)	(6,215)	(11,094)
Profit before taxation			<u>650,553</u>
6 months ended 30 June 2022	N'000	N'000	N'000
Revenue	19,871,815	23,934,658	43,806,473
Depreciation and amortisation	(572,895)	(690,024)	(1,262,919)
Segmental operating profit	1,429,335	1,721,566	3,150,901
Finance income	207,084	249,423	456,507
Finance cost	(285,150)	(343,450)	(628,600)
Profit before taxation			<u>2,978,808</u>

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6 months ended 30 June

2021	N'000	N'000	N'000
Revenue	14,242,234	18,178,764	32,420,998
Depreciation and amortisation	(646,223)	(824,838)	(1,471,061)
Segmental operating profit	11,493	14,670	26,163
Finance income	285,829	364,832	650,661
Finance cost	(19,972)	(25,493)	(45,465)
Profit before taxation			<u>434,120</u>

Turnover over by geographical location

	Domestic (within Nigeria) N'000	Export (outside Nigeria) N'000	Total N'000
3 Months ended 30 June 2022	22,861,586	384,428	23,246,014
3 Months ended 30 June 2021	<u>16,234,078</u>	<u>104,565</u>	<u>16,338,643</u>
6 Months ended 30 June 2022	<u>43,099,600</u>	<u>706,873</u>	<u>43,806,473</u>
6 Months ended 30 June 2021	<u>32,218,502</u>	<u>202,496</u>	<u>32,420,998</u>

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

The Company has 80 key distributors, and one key distributor accounted for more than 10% of the Company's revenue.

8. Marketing and administrative expenses

	2022 N'000	2021 N'000
Brand and marketing	2,972,532	2,470,496
Overheads	4,758,189	3,299,578
Service Fees	<u>1,153,394</u>	<u>943,186</u>
	<u>8,884,115</u>	<u>6,713,260</u>

9. Other income

	2022 N'000	2021 N'000
Transitional Service Agreement income (9(i))	<u>66,659</u>	<u>-</u>
	<u>66,659</u>	<u>-</u>

9(i) Subsequent to the disposal of the Tea business in October 2021, Unilever entered into a Transitional Service Agreement ("the Agreement") with the new owner, Unilever Tea MSO Nigeria Limited. The Agreement will be in place for a period of 15 months, during which time Unilever would provide production and sales support to Unilever Tea MSO Nigeria Limited in exchange for a fee.

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10. Finance income

	2022	2021
	N'000	N'000
Interest on call deposits and bank accounts	456,507	334,715
Exchange difference on bank accounts	-	221,324
Unwinding of lease liability	<u> </u>	<u>94,622</u>
	<u><u>456,507</u></u>	<u><u>650,661</u></u>

11. Finance cost

	2022	2021
	N'000	N'000
Interest on third party bank loans	122,511	-
Exchange difference on bank accounts	430,353	-
Employee benefit charge	<u>75,736</u>	<u>45,465</u>
	<u><u>628,600</u></u>	<u><u>45,465</u></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.

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 2021	950,819	433,640	12,763,789	33,215,018	1,995,587	1,288,964	50,647,817
Additions	1,622,462	-	-	-	-	-	1,622,462
Disposals	-	-	(113,448)	(6,719,278)	(145,485)	(339,229)	(7,317,440)
Transfers	(1,617,641)	-	107,105	919,218	37,263	554,055	-
Transfer between classes				366,953	(366,953)		-
Write-offs				(181,972)	(83,211)		(265,183)
At 31 December 2021	955,640	433,640	12,757,446	27,599,939	1,437,201	1,503,790	44,687,656
Additions	638,837	-	-	-	-	-	638,837
Disposals	-	-	(36,298)	(745,276)	(14,148)	(103,554)	(899,276)
Transfers	(569,442)	-	187,454	294,552	41,533	45,903	-
At 30 June 2022	1,025,035	433,640	12,908,603	27,149,216	1,464,587	1,446,139	44,427,217
Depreciation / impairment							
1 January 2021	-	3,190	2,758,067	18,650,036	888,691	977,230	23,277,214
Depreciation charge for the year	-	-	1,104,373	1,784,833	430,099	216,080	3,535,385
Disposals	-	-	(53,225)	(2,507,524)	(136,657)	(338,857)	(3,036,263)
Transfer between classes	-	-	-	65,051	(65,051)		-
Write-offs	-	-	-	(1,382,941)	(82,025)		(1,464,966)
	-	3,190	3,809,215	16,609,455	1,035,057	854,453	22,311,370
Depreciation charge for the period	-	2,230	163,528	827,665	125,958	143,344	1,262,724
On disposals	-	-	(36,298)	(745,276)	(14,148)	(103,554)	(899,276)
At 30 June 2022	-	5,420	3,936,445	16,691,843	1,146,867	894,243	22,674,819
Net book value:							
At 1 January 2021	950,819	430,450	10,005,721	14,564,981	1,106,896	311,734	27,370,602
At 31 December 2021	955,640	430,450	8,948,231	10,990,484	402,143	649,338	22,376,286
At 30 June 2022	1,025,035	428,220	8,972,158	10,457,371	317,719	551,895	21,752,400

Included in building is right-of-use assets of ₦650 million and accumulated depreciation of ₦607 million related to leased properties that do not meet the definition of investment property.

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14. Inventories

	30 June 2022 N'000	31 December 2021 N'000
Raw and packaging materials	9,042,762	10,189,180
Work in progress	692,891	343,519
Goods in transit	-	969,957
Finished goods	3,680,167	2,180,366
Engineering spares and other inventories	947,056	1,045,428
Right to recover returned goods	227,881	227,881
	<u>14,590,757</u>	<u>14,956,331</u>

15. Trade and other receivables

	30 June 2022 N'000	31 December 2021 N'000
Trade receivables: gross	4,730,080	5,769,679
Less: rebate accruals	(800,748)	(1,019,156)
Less impairment	<u>(1,208,521)</u>	<u>(1,284,069)</u>
Trade receivables: net	2,720,811	3,466,454
Advances and prepayments	6,084,867	1,733,074
Cash with registrar	573,215	356,588
Interest receivable	98,008	67,585
Other receivables	967,039	259,018
Due from related parties (Note 20(iii))	8,165,092	8,964,067
Deposit for imports	<u>384,167</u>	<u>145,869</u>
	<u>18,993,199</u>	<u>14,992,655</u>

Advances and prepayments include insurance premium and advances to vendors.

16. Cash and cash equivalents

	30 June 2022 N'000	31 December 2021 N'000
Cash at bank and in hand	42,941,057	40,629,495
Fixed deposit	<u>20,455,446</u>	<u>15,068,042</u>
Cash and bank balances	<u>63,396,503</u>	<u>55,697,537</u>

17. Trade and other payables

	30 June 2022 N'000	31 December 2021 N'000
Trade payables	13,501,223	11,205,275
Trade finance facility (Note 17(ii))	10,376,016	7,094,621
Amount due to related companies (Note 20(iii))	6,345,890	5,515,920
Dividend payable (Note 17(i))	8,964,311	6,413,241
Accrued liabilities	6,331,782	4,118,568
Accrued brand and marketing expenses	1,078,376	1,620,077
Accrued shipping and freight charges	1,678,759	1,719,901
Other payables	<u>35,863</u>	<u>94,738</u>
	<u>48,312,220</u>	<u>37,782,341</u>

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17. Trade and other payables (continued)

Other non-financial payables:

Refund liabilities	292,378	292,378
Minimum tax payables	38,864	222,206
Statutory deductions	1,848,048	1,264,616
Non trade payables	118,448	177,533
	<u>2,297,738</u>	<u>1,956,733</u>
Total trade and other payables	<u>50,609,958</u>	<u>39,739,074</u>

30 June
2022
N'000

31 December
2021
N'000

(i) Dividend payable

As at 1 January	6,413,241	6,468,905
Dividend declared	2,872,503	-
Dividend paid	<u>(321,432)</u>	<u>(55,664)</u>
As at period/ year end	<u><u>8,964,312</u></u>	<u><u>6,413,241</u></u>

(ii) 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.

The balance due to the banks for payments made as at period end amounted to N10.3 billion (31 December 2021: N7.1 billion).

18. Retirement benefit obligations

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

	30 June 2022 N'000	31 December 2021 N'000
Present value of funded retirement benefit obligations	(1,872,606)	(1,867,087)
Fair value of plan assets	<u>1,424,351</u>	<u>1,445,796</u>
Retirement benefit deficit	(448,255)	(421,291)
Present value of unfunded retirement benefit obligations	(471,683)	(454,713)
Long service award obligations	<u>(392,066)</u>	<u>(369,770)</u>
Net liability in the statement of financial position	<u><u>(1,312,004)</u></u>	<u><u>(1,245,774)</u></u>

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19. Cash flows from operating activities

	30 June 2022	30 June 2021
	N'000	N'000
Profit before tax	2,978,808	434,120
Profit before tax - discontinued operations (Note 23 (a))	-	396,281
Adjustment for non-cash items:		
- Depreciation of property, plant and equipment	1,262,724	1,471,061
- Amortisation of intangible assets	195	194
- Loss on disposal of property, plant and equipment	-	7,883
- Finance income	(456,507)	(334,715)
- Finance expense	75,736	45,465
- Net change in retirement benefit obligations	189,734	74,271
- Long service award obligations	41,579	27,820
Changes in working capital:		
- Increase in trade and other receivables	(3,948,468)	(614,282)
- Decrease in inventory	365,575	1,510,264
- Increase in trade and other payables	8,319,811	4,270,392
Cash flows generated from operating activities	<u>8,829,187</u>	<u>7,288,754</u>

20. Related party transactions

(i) Sale of finished goods to related parties

	30 June 2022	30 June 2021
	N'000	N'000
Unilever Ghana Limited	206,732	3,412
Unilever Cote D'Ivoire	<u>500,141</u>	<u>94,519</u>
	<u>706,873</u>	<u>97,931</u>

(ii) Outstanding related party balances as at:

	30 June 2022	31 December 2021
	N'000	N'000
<i>Receivables from related parties:</i>		
Unilever Cote D'Ivoire	3,188,017	2,805,030
Unilever Ghana Limited	1,806,481	1,872,003
Unilever Tea MSO Nigeria Limited	7,267,749	8,251,230
Other related parties	<u>6,078</u>	<u>139,039</u>
Gross receivables	12,268,327	13,067,303
Less impairment	<u>(4,103,235)</u>	<u>(4,103,235)</u>
Amount due from related companies (Note 15 (i))	<u>8,165,092</u>	<u>8,964,068</u>

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	30 June 2022	31 December 2021
	N'000	N'000
<i>Payables to related parties:</i>		
Unilever UK Plc	5,328,619	4,606,027
Unilever Asia Private	60,705	189,837
Unilever Cote D'Ivoire	476,351	435,936
Unilever Ghana Limited	228,255	152,604
Other related parties	<u>251,960</u>	<u>131,515</u>
Amount due to related companies per note 17	6,345,890	5,515,919
Unilever Overseas Holding (Dividend payable)	<u>4,814,959</u>	<u>2,796,534</u>
Total amount due to related parties	<u><u>11,160,848</u></u>	<u><u>8,312,454</u></u>

21. Share capital and share premium

	Number of ordinary shares (thousands)	Ordinary shares N'000	Share premium N'000
Balance as at 31 December 2021 and 30 June 2022	<u>5,745,005</u>	<u>2,872,503</u>	<u>56,812,810</u>

The authorised number of ordinary shares is 10,000,000,000 (2021: 10,000,000,000) with a par value of 50kobo per share. Of these, 5,745,005,417 (2021: 5,745,005,417) ordinary shares have been issued and fully paid.

(a) Shareholding Pattern as at 30 June, 2022

	Number of Ordinary Shares	Percentage Holdings
Shareholders		
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 June, 2022 is compliant with the Free float requirement for the Main Board of the Nigerian Stock Exchange.

22. Assets held for sale

During the year, management committed to a plan to sell part of its manufacturing facility within the Home and Personal Care segment. Accordingly, part of that facility is presented as assets held for sale at the carrying amount of ₦262 million. Efforts to sell the disposal group have reached an advance stage and sale is expected by September 2022.

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23. Discontinued Operations

On 1 October 2021, Unilever Nigeria Plc concluded the sale of its Global Tea Business. In line with the Unilever Group's directive, the Company committed to a plan to sell this business since its announcement on 23 July 2020.

The Tea business was not previously classified as Held for Sale or as a discontinued operation. The comparative statement of profit or loss and OCI has been re-presented to show the discontinued operation separately from continuing operations.

a Results of discontinued operation	30 June 2021
<i>Income Statement</i>	N'000
Turnover	6,729,417
Cost of sales	(5,071,453)
Gross Profit	<u>1,657,964</u>
Selling and Distribution expenses	(206,922)
Marketing and administrative expenses	<u>(1,054,761)</u>
Profit Before tax	396,281
Taxation	<u>(118,884)</u>
Profit for the year from discontinued operations	<u>277,397</u>

The numbers reflect the results of the Tea business from the beginning of 2021 to 30 June 2021.

The profit from the discontinued operation is attributable entirely to the owners of the Company.