



Unaudited Financial Statements

for the Period ended 30 September, 2023

Expressed in Trinidad & Tobago Dollars

CHAIRMAN'S REVIEW

For the nine-month period ending September 30, 2023, the Company reported a Profit After Tax of \$13.3m, representing an increase of \$12.8m over the same period last year. This was achieved despite a decline in revenue of 14.6% from the prior comparative period to \$168.1m. The revenue performance was impacted by changing market forces in selected channels as well as the decline in the macroeconomic environment, resulting in declines in the Solution Wash sales in both the local and regional markets. This negative impact in the Home Care business overshadowed strong growth in the Beauty & Personal Care and Food channels.

Profitability, as measured by gross margin, has improved as the Company continues to recognise more favourable material and freight costs with an improved sales mix. Savings in operating expenses from improved efficiency and consistent cost management strategies have also facilitated margin improvements. Additionally, during this period, the Company recorded \$6.2m in freight and logistics benefits, which were related to the previous quarters of this year. These benefits arise out of the conclusion of global freight rate negotiations and the attendant reductions in freight rates in previous quarters. During the third quarter, Management has adjusted downwards pricing to pass these freight benefits on to our consumers. The impact of this \$6.2m reduction in freight expenses to the period ending June 30, 2023, was an increase in Gross profit from \$45.8m to \$52m and an increase in Profit before tax from \$8.7m to \$14.9m.

The Company's steadfast focus on accelerating profitable growth is supported by the improvement in the category mix, where increases in Beauty and Personal Care sales have contributed 59% of total year to date revenue, up from 39% in the prior comparative period. This significant shift in product mix has boosted profitability and is aligned to our strategic plan centered on portfolio optimisation and sustainable profitable growth for a future fit organisation.

Notwithstanding the challenging environment, local and in the Caribbean markets, UCL maintains a strong financial position, with healthy cash holdings and retained earnings, and reported Earnings Per Share (EPS) of \$0.51 for the period ending September 30, 2023.

Daniela Bucaro
Chairman

SUMMARY STATEMENT OF FINANCIAL POSITION

| | Unaudited as at | | Audited |
|---|-----------------|----------------|----------------|
| | 30 Sep 2023 | 30 Sep 2022 | 31 Dec 2022 |
| | \$'000 | \$'000 | \$'000 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 4,235 | 6,996 | 4,285 |
| Retirement benefit asset | 102,056 | 147,263 | 99,142 |
| Deferred tax asset | 9,111 | 9,159 | 14,250 |
| | 115,402 | 163,418 | 117,677 |
| Current assets | | | |
| Inventories | 24,628 | 33,879 | 29,250 |
| Taxation recoverable | 7,575 | 7,575 | 7,575 |
| Trade and other receivables | 44,534 | 95,552 | 60,486 |
| Value added tax recoverable | 453 | 8,456 | 3,502 |
| Due from related companies | 36,132 | 70,454 | 74,491 |
| Cash at bank and in hand | 153,929 | 87,105 | 171,778 |
| Assets held for sale | - | 58,013 | - |
| | 267,251 | 361,034 | 347,082 |
| Total assets | 382,653 | 524,452 | 464,759 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Stated capital | 26,244 | 26,244 | 26,244 |
| Property revaluation surplus | - | 36,568 | - |
| Retained earnings | 249,008 | 301,755 | 311,319 |
| Total equity | 275,252 | 364,567 | 337,563 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Retirement and termination benefit obligation | 3,010 | 807 | 3,085 |
| Lease liabilities | 1,636 | 2,245 | 1,979 |
| Deferred tax liabilities | 30,135 | 43,374 | 29,105 |
| | 34,781 | 46,426 | 34,169 |
| Current liabilities | | | |
| Trade and other payables | 50,458 | 64,533 | 72,280 |
| Lease liabilities | 1,528 | 1,478 | 711 |
| Provisions for other liabilities | 2,682 | 11,818 | 5,158 |
| Due to related companies | 17,952 | 32,681 | 14,878 |
| Liabilities directly associated with the assets held for sale | - | 2,949 | - |
| | 72,620 | 113,459 | 93,027 |
| Total liabilities | 107,401 | 159,885 | 127,196 |
| Total equity and liabilities | 382,653 | 524,452 | 464,759 |

Jean-Marc Mouttet, Managing Director

Nicholas Gomez, Director

SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Unaudited 3 months ended | | Unaudited 9 months ended | | Audited |
|---|--------------------------|-------------|--------------------------|-------------|-------------|
| | 30 Sep 2023 | 30 Sep 2022 | 30 Sep 2023 | 30 Sep 2022 | 31 Dec 2022 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Revenue | 48,822 | 68,330 | 168,104 | 196,864 | 256,146 |
| Cost of sales | (20,101) | (41,550) | (93,567) | (111,592) | (150,897) |
| Gross profit | 28,721 | 26,780 | 74,537 | 85,272 | 105,249 |
| Selling and distribution costs | (13,577) | (14,469) | (41,315) | (48,565) | (60,554) |
| Administrative expenses | (4,481) | (4,356) | (12,918) | (13,179) | (16,252) |
| Impairment (loss) reversal on trade receivables | (13) | (38) | 421 | 358 | 358 |
| Gain on disposal of plant and equipment | - | 943 | - | 1,595 | - |
| Operating profit | 10,650 | 8,860 | 20,725 | 25,481 | 28,801 |
| Restructuring cost comprising of: | | | | | |
| Net gain of property, plant and equipment | - | - | - | - | 4,493 |
| Manpower cost | - | (366) | (1,256) | (32,943) | (31,528) |
| Gain on curtailment and settlement | - | 10,813 | - | 10,813 | 10,752 |
| Other expenses | 636 | (1,721) | (1,777) | (6,974) | (14,272) |
| Restructuring cost | 636 | 8,726 | (3,033) | (29,104) | (30,555) |
| Operating profit/(loss) after restructuring | 11,286 | 17,586 | 17,692 | (3,623) | (1,754) |
| Finance income/(expense) | 565 | (131) | 1,343 | (290) | 101 |
| Other (expense) income | (1) | 1,914 | 1,540 | 6,285 | 7,028 |
| Profit before taxation | 11,850 | 19,369 | 20,575 | 2,372 | 5,375 |
| Taxation (expense)/credit | (3,800) | (6,295) | (7,304) | (1,900) | 4,394 |
| Profit for the period | 8,050 | 13,074 | 13,271 | 472 | 9,769 |
| Other comprehensive income/(loss) | | | | | |
| Re-measurements of defined benefit asset/ liability | - | - | - | - | (51,857) |
| Related tax | - | - | - | - | 15,557 |
| Total comprehensive income/(loss) for the period | 8,050 | 13,074 | 13,271 | 472 | (26,531) |
| Earnings per share | 0.31 | 0.50 | 0.51 | 0.02 | 0.37 |

SUMMARY STATEMENT OF CASH FLOWS

| | Unaudited 3 months ended | | Unaudited 9 months ended | | Audited |
|---|--------------------------|-------------|--------------------------|-------------|-----------|
| | 30 Sep 2023 | 30 Sep 2022 | 30 Sep 2023 | 30 Sep 2022 | 31-Dec-22 |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | |
| Profit before taxation | 11,850 | 19,369 | 20,575 | 2,372 | 5,375 |
| Adjustment for items not affecting working capital | 2,336 | (14,104) | 2,509 | (15,472) | (17,511) |
| | 14,186 | 5,265 | 23,084 | (13,100) | (12,136) |
| Net (increase)/decrease in working capital | (12,254) | (9,996) | 37,738 | 98,067 | 118,327 |
| Cash flows generated from/(used in) operating activities | 1,932 | (4,731) | 60,822 | 84,967 | 106,191 |
| Taxation & interest paid | (352) | (438) | (1,753) | (1,727) | (2,237) |
| Net cash generated from/(used in) operating activities | 1,580 | (5,169) | 59,069 | 83,240 | 103,954 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | |
| Interest received | 625 | 69 | 2,158 | 108 | 551 |
| Purchase of plant and equipment | - | - | - | - | (1,434) |
| Proceeds from sale of property, plant and equipment | - | 953 | - | 1,726 | 67,345 |
| Net cash generated from investing activities | 625 | 1,022 | 2,158 | 1,834 | 66,462 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | |
| Dividends paid | (2,099) | - | (75,582) | (112,848) | (112,849) |
| Payment of lease liabilities | (1,323) | (1,085) | (3,494) | (3,253) | (3,921) |
| Net cash flows used in financing activities | (3,422) | (1,085) | (79,076) | (116,101) | (116,770) |
| (Decrease)/increase in cash and cash equivalents | (1,217) | (5,232) | (17,849) | (31,027) | 53,646 |
| Cash and cash equivalents at beginning of period | 155,146 | 92,337 | 171,778 | 118,132 | 118,132 |
| Cash and cash equivalents at end of period | 153,929 | 87,105 | 153,929 | 87,105 | 171,778 |
| Represented by: Cash at bank and in hand | 153,929 | 87,105 | 153,929 | 87,105 | 171,778 |

SUMMARY STATEMENT OF CHANGES IN EQUITY

| | Stated Capital | Property Revaluation Surplus | Retained Earnings | Total Equity |
|---|----------------|------------------------------|-------------------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance as at 1 January, 2023 | 26,244 | - | 311,319 | 337,563 |
| Total comprehensive income for the period | - | - | 13,271 | 13,271 |
| Dividends paid | - | - | (75,582) | (75,582) |
| Balance as at 30 September, 2023 | 26,244 | - | 249,008 | 275,252 |
| Balance as at 1 January, 2022 | 26,244 | 36,568 | 414,131 | 476,943 |
| Total comprehensive income for the period | - | - | 472 | 472 |
| Dividends paid | - | - | (112,848) | (112,848) |
| Balance as at 30 September, 2022 | 26,244 | 36,568 | 301,755 | 364,567 |
| Balance as at 1 January, 2022 | 26,244 | 36,568 | 414,131 | 476,943 |
| Total comprehensive loss for the period | - | - | (26,531) | (26,531) |
| Dividends paid | - | - | (112,849) | (112,849) |
| Transfer | - | (36,568) | 36,568 | - |
| Balance as at 31 December, 2022 | 26,244 | - | 311,319 | 337,563 |

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

1. General Information - Unilever Caribbean Limited is incorporated in the Republic of Trinidad and Tobago, and its registered office is located at Albion Plaza, Third Floor, 22-24 Victoria Avenue, Port of Spain. The Company is listed on the Trinidad and Tobago Stock Exchange. The principal business activity is the sale of home care, personal care and food products. It is a subsidiary of Unilever Overseas Holdings AG, which is a wholly owned subsidiary of Unilever PLC, a company incorporated in the United Kingdom.

2. Basis of preparation - These summary financial statements have been derived from the audited financial statements for the year ended 2022, which were prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB).

3. Significant accounting policies - The financial statements have been prepared under the historical cost convention, as modified by the revaluation of freehold properties and re-measurements of retirement and termination benefit obligations. 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, 2022, and have been consistently applied to all periods presented, unless otherwise stated.