

2022 ANNUAL REPORT

AND CONSOLIDATED FINANCIAL
STATEMENTS

WINNING THROUGH
RESILIENT BRANDS
AND PEOPLE



Unilever





TABLE OF CONTENT

Contents	Pages
Corporate information	3
Financial highlights	4
Notice of meeting	5
Chairman's review	6 - 10
Managing Director's review	11 - 13
Corporate Governance	14 - 15
Report of the Audit and Risk Committee	16
Report of the Remuneration and Nomination Committee	17
Report of the Directors	18 - 22
Independent Auditor's Report	23 - 27
Financial Statements	
Statements of comprehensive income	28
Statements of financial position	29
Statements of changes in equity	30
Statement of cash flows	31
Notes to the Consolidated Financial Statements	32 - 79
Other Information	
Analysis of shareholding	79
Directors' shareholding	79
Five-year financial summary of the Company	80
Admission Form	81
Proxy form	82

OUR PURPOSE

is to make Sustainable living
common place

OUR VISION

is to be the global leader in sustainable business. We will demonstrate how our purpose-led, future-fit business model drives superior performance, consistency delivering financial results in the top third of our industry

OUR VALUES

INTEGRITY
RESPECT
RESPONSIBILITY
PIONEERING

BOARD OF DIRECTORS



MR. EDWARD EFFAH
CHAIRMAN



**MR GEORGE
OWUSU-ANSAH**
MANAGING DIRECTOR



**MR PRIYADHARSHANA
EKANAYAKE**
FINANCE DIRECTOR



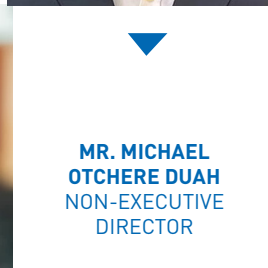
MR CARL CRUZ
NON-EXECUTIVE
DIRECTOR



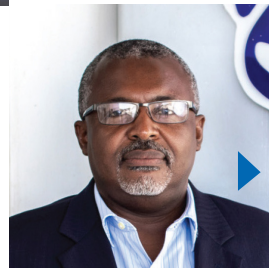
**MR PHILIP ODOTEI
SOWAH**
NON- EXECUTIVE
DIRECTOR



MRS ANGELA PEASAH
NON-EXECUTIVE
DIRECTOR



**MR. MICHAEL
OTCHERE DUAH**
NON-EXECUTIVE
DIRECTOR



**MR MICHAEL
ODINAKACHI UBEH**
CUSTOMER DEVT.
DIRECTOR



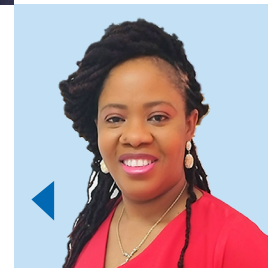
**DR. MRS EDITH
DANKWA**
NON-EXECUTIVE
DIRECTOR



**MRS NANA YAA
OWUSU-ANSAH**
PERSONAL CARE
DIRECTOR



MRS AMA AGYEMANG
SENIOR LEGAL
COUNSEL &
COMPANY SECRETARY



CORPORATE INFORMATION

BOARD OF DIRECTORS

Edward Effah (Chairman)
George Owusu-Ansah (Managing Director)
Philip Odotei Sowah
Nana Yaa Owusu-Ansah
Angela Peasah
Edith Dankwa
Micheal Odinakachi Ubeh
Carl Raymond Cruz
Priyadharshana Ekanayake
Michael Otchere Duah (Appointed 1 August 2022)

SECRETARY

Ama Adadzewa Agyemang

AUDITOR

Deloitte & Touché
Chartered Accountants
The Deloitte Place
Plot No. 71, North Dzorwulu
P O Box GP 453
Accra

SOLICITORS:

Sam Okudzeto & Associates
Kimathi & Partners, Corporate Attorneys
Legal Ink Lawyers and Notaries
ENS Africa
Sesi Legal

REGISTERED OFFICE:

Unilever Ghana PLC
Tema Factory, Plot No. Ind/A/2/3A-4
P O Box 721
Tema

BANKERS:

ABSA Bank Ghana Limited
Access Bank (Ghana) Plc
Ecobank Ghana Plc
First Atlantic Bank Limited
Guaranty Trust Bank (Ghana) Limited
Société Generale Ghana Plc
Standard Chartered Bank Ghana Plc
Stanbic Bank Ghana Limited
United Bank for Africa (Ghana) Limited
Universal Merchant Bank Limited

Financial Highlights

[All amounts are expressed in thousands of Ghana cedis]

	GROUP		
	2022	2021	Change %
From continuing and discontinued operation			
Revenue	631,477	526,912	20
Profit for the year	15,080	350	42
Cash (used in)/generated from operating	(43,515)	7,481	(682)
Shareholders' funds	52,818	36,774	44
Capital expenditure	16,035	17,587	(9)
Basic earnings per share (GH¢)	0.2413	0.0056	42
Diluted earnings per share (GH¢)	0.2413	0.0056	42
Net assets per share (GH¢)	0.8451	0.5884	44
Net Profit margin (%)	2%	0.07%	28

Notice of Meeting

Notice is hereby given that the next Annual General Meeting of the Members of Unilever Ghana PLC will be held at the Ghana College of Physicians and Surgeons, Accra on Tuesday, 23rd May 2023 at 10.00 a.m. for the following purposes:

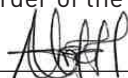
AGENDA

1. To receive the Report of the Directors, the financial position as at 31st December, 2022 together with the Accounts for the year ended on that date and the Report of the Auditors thereon.
2. To re-elect the following Directors:
 - a. Mr Edward Effah
 - b. Mr Michael Otchere Duah
 - c. Mr Philip Sowah
3. To approve Directors' fees
4. To authorize the Directors to fix the remuneration of the Auditors

A Member of the Company entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/her. A proxy need not be a Member. A form of proxy is attached and if it is to be valid for the purposes of the Meeting, it must be completed and deposited at the Registered Office of the Registrars of the Company, Universal Merchant Bank Limited, not less than 48 hours before the Meeting.

Dated this 14th day of March 2023.

By Order of the Board



Ama A. Agyemang (Mrs)
Secretary

Registered Office,

Unilever Ghana PLC, Tema Factory, Plot No. Ind/A/2/3A-4, P O Box 721, Tema

Board of Directors & Secretary

Mr Edward Effah; Chairman, Mr George Owusu-Ansah; Managing Director, Mr Michael Odinakachi Ubeh, Mr. Carl Cruz, Dr. Mrs Edith Dankwa, Mr Philip Odotei Sowah, Mrs Nana Yaa Owusu-Ansah, Mrs Angela Peasah, Mr Michael Otchere Duah, Mr Priyadharshana Ekanayake and Mrs Ama Adadzewa Agyemang, Secretary

Board Audit and Risk Audit Committee

Mrs. Angela Peasah; Chairperson, Dr. Mrs Edith Dankwa, Mr Philip Odotei Sowah, Mr Priyadharshana Ekanayake and Mrs Ama Adadzewa Agyemang, Secretary

Board Remuneration and Nomination Committee

Dr. Mrs Edith Dankwa; Chairperson, Mr Philip Odotei Sowah, Mrs Angela Peasah, Mr Priyadharshana Ekanayake and Mrs Ama Adadzewa Agyemang, Secretary

Registrars Office

Universal Merchant Bank Limited, 44 Kwame Nkrumah Avenue, Okaishie, Accra. P. O. Box 401, Accra, Ghana.
Tel: 030 7011722



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Chairman's Review

Edward Effah

Introduction

Distinguished shareholders, ladies, and gentlemen, I am delighted to welcome all of you to our in-person Annual General Meeting for this year, the first in the last 3 years due to the Covid Pandemic. It is also my pleasure and privilege to present to you our improved performance for the year ended, 31st December 2022.

Global Economic Environment

Global economic activity is experiencing a broad-based and sharper-than-expected slowdown, with inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions in most regions, Russia's invasion of Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the outlook. According to the International Monetary Fund (IMF) World Economic Outlook (WEO) issued in January 2023, the balance of risks remains tilted to the downside, but adverse risks have moderated since the October 2022 WEO. On the upside, a stronger boost from pent-up demand in numerous economies or a faster fall in inflation are plausible. On the downside, severe health outcomes in China could hold back the recovery, Russia's war in Ukraine could escalate, and tighter global financing costs could worsen debt distress. Financial markets could also suddenly reprice in response to adverse inflation news, while further geopolitical fragmentation could hamper economic progress.

Global growth is projected to fall from an estimated 3.4 percent in 2022 to 2.9 percent in 2023, then rise to 3.1 percent in 2024. The forecast for 2023 is 0.2 percentage points higher than predicted in the October 2022 WEO but below the historical (2000–19) average of 3.8 percent. The rise in central bank rates to fight inflation and Russia's war in Ukraine continue to weigh on economic activity. The rapid spread of COVID-19 in China dampened growth in 2022, but the recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to fall from 8.8 percent in 2022 to 6.6 percent in 2023 and 4.3 percent in 2024, still above pre-pandemic (2017–19) levels of about 3.5 percent.

In most economies, amid the cost-of-living crisis, the priority remains achieving sustained disinflation. With tighter monetary conditions and lower growth potentially affecting financial and debt stability, it is necessary to deploy macroprudential tools and strengthen debt restructuring frameworks. Accelerating COVID-19 vaccinations in China would safeguard the recovery, with positive cross-border spillovers. Fiscal support should be better targeted at those most affected by elevated food and energy prices, and broad-based fiscal relief measures should be withdrawn. Stronger multilateral cooperation is essential to preserve the gains from the rules-based multilateral system and to mitigate climate change by limiting emissions and raising green investment.

The Ghanaian Economic & Operating Environment

In the first quarter of 2022, the overall GDP grew by 3.3 percent, year-on-year, down from 3.6 percent over the

Chairman's Review Continued

same period in 2021. According to the latest Ghana Statistical Service report, real GDP rate for the first three quarters of 2022 averaged 2.9% versus an average growth of 6.5% for the same period in 2021. The downturn in GDP was equally seen in the manufacturing sector which posted a -7.4% year on year growth as at the end of the third quarter of 2022. The IMF has projected a 3.6% growth in Ghana's economy in 2022 in its October 2022 WEO report. This is the same as the 3.6% average expansion expected in countries in Sub-Saharan Africa and the 3.2% growth projected for the global economy.

The annual inflation rate accelerated month on month from 15.7% in February of 2022 to 53.6% in January 2023. This is an ease from a more than two – decade high of 54.1% in December 2022 helped by a strengthening cedi. The acceleration in inflation was driven largely by the lagged effects of the sharp currency depreciation recorded in October 2022. Food and non – food inflation went up significantly (according to the Monetary Policy Committee Report issued in January 2023).

The Ghana cedi also came under intense pressure in the year. For the year 2022, the Ghana cedi depreciated by 30% against the US dollar, after reversals of some of the losses in December. In the year to January 26, 2023, the Ghana Cedi cumulatively depreciated by 19.1%, 21.4% and 20.7% against the US dollar, the pound sterling, and the euro.

The economic outlook, according to the Bank of Ghana, is that domestic growth conditions softened in 2022 and is projected to moderate further and remain below potential over the near-term, based on elevated inflation levels.

Business Performance:

The Group's result for the year ended 31st December 2022 shows a 20% increase in revenue from GHS 530 million in 2021 to GHS 632 million in 2022. The growth is mainly driven by price increases and improved innovations. Profit for the year was GHS 15 million, a significant improvement over the same period in 2021 with a profit of GHS 0.4 million was posted.

Dividends:

No dividends will be recommended for shareholders.

Board Changes:

Mr Michael Otchere Duah, Human Resource Director for Unilever Ghana PLC, was appointed as a Board member of Unilever Ghana PLC effective August 1 2022.

Below is his profile and that of the subsisting Directors.

Profile of Michael Otchere Duah



Mr Michael Otchere Duah is a seasoned human resource practitioner with 17 years of experience in people leadership. Michael holds a Bachelor of Arts degree from the University of Ghana, a Master in Business Administration (HRM) from the University of Wales, UK and is a chartered member of CIPD. He has in-depth knowledge in business transformation, leading change, organisation design, people development and retention/engagement strategies. He is the immediate past Human Resource Director of Unilever East Africa Plantation, based out of Nairobi, Kenya.

He led the transformation of the tea plantation business through manpower and process optimization, agric-business technology and talent development projects. He is a strong advocate of equity, gender and inclusive workplace practices. Michael is passionate about the future of work and is currently steering agile and business transformation programs at Unilever across West Africa as enablers for business growth.

Chairman's Review Continued

Profiles of Subsisting Directors

Mr. Edward Effah



Mr. Edward Effah founded the Fidelity Group in October 1998 after a successful career as a senior finance executive. From inception to December 2022, Mr. Effah served as the CEO and then Board Chairman of Fidelity Bank Ghana Limited. Under his leadership, Fidelity Bank Ghana Limited has been able to establish itself as a leader in its markets in Ghana in terms of reputation, profitability and assets under management.

Edward is a Chartered Accountant by profession and is a member of the Institute of Chartered Accountants in England and Wales. Edward is also a member of the Africa Advisory Board of Prince's Trust International and a member of the Institute of Directors (UK).

Edward has extensive experience in business strategy formulation, calculated risk taking, strategy execution, team building, mentoring, business innovation, finance, technology strategy, capital raising, investor relations, managing Boards and effective communication with key stakeholders.

Mr George Owusu-Ansah



George joined Unilever as a Management Trainee and has 32 years of work experience with Unilever; 26 years in various supply chain and project roles and 3 years in customer development roles. His supply chain experiences have covered roles in the PLAN, SOURCE and DELIVER sub-functions in Ghana, Malawi, China, Singapore, Kenya and Nigeria, whilst his 3 years in customer development covered roles such as Trade Marketing Manager for Foods and later for Home and Personal Care Products at Unilever Ghana PLC.

Mr Priyadharshana Ekanayake



Mr Priyadharshana Ekanayake is an experienced finance professional with 30 years of experience and a fellow of the Chartered Institute of Management Accountants (CIMA). He has a broad and in-depth work experience in strategic, digital, and operational aspects of finance and general management.

In his previous role as the National Finance Director of Unilever Sri Lanka, Priyadharshana partnered with the business to generate competitive and profitable growth in the face of external volatilities.

He has experience in transforming the finance organization through digital competencies and talent development. Priyadharshana has worked in Singapore and India, working with and leading teams across many geographies.

Mr Carl Raymond Cruz



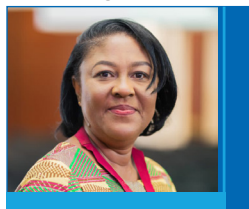
Mr. Carl Raymond R. Cruz, a Filipino, was the immediate past Executive Chairman & CEO, Unilever Sri Lanka. He holds a Bachelor of Science degree in Marketing from De La Salle University, Philippines. He comes with an extensive career in Unilever D & E Markets in Asia - Philippines, Thailand, India, and Sri Lanka. Since joining Unilever in 1992, Carl has gained over 30 years' experience working in customer development and marketing roles across Unilever's business groups.

Prior to taking up the role of leading Unilever in West Africa in 2020, Carl was Executive Chairman & CEO of Unilever Sri Lanka, a business he steered towards a sustainable and competitive growth trajectory. He has not only established Unilever Sri Lanka as a market leader across key categories but also as the most admired employer in the country, despite some very challenging conditions, including the Horana fire in 2016 and the

Chairman's Review Continued

Easter Sunday attacks in 2019. Under Carl's leadership, the Sri Lanka business is well positioned to become a lean, agile and digitally enabled organization. Carl's passion for inclusion, experimentation and empowerment is reflected in his vision of Re Imagine USL - a transformational journey, that he has led from the front.

Mrs. Angela Peasah



Mrs. Angela Peasah is a Chartered Accountant by profession and was admitted into the membership of the Institute of Chartered Accountants (Ghana) in 1995. She holds an Executive MBA from the University of Ghana Business School, University of Ghana, Legon. She is also a product of the Institute of Professional Studies (IPS). She trained with Coopers & Lybrand from 1991 and has worked with PricewaterhouseCoopers, Saltpond Offshore, and WaterAid, an international NGO, in various capacities.

She is currently the Head of the Payroll Directorate of the Controller and Accountant General's Department. She has managed many audit jobs including World Bank and ADF funded projects, mining, insurance and commercial organizations. Angela is a past President of the Institute of Chartered Accountants (Ghana) and is currently a member of the Nominating Committee of the International Federation of Accountants (IFAC).

Mr. Philip Sowah



Mr. Philip Sowah is a management consultant with 25 plus years senior management experience in telecommunications, general management, information technology, and management consulting with Big 4 and Fortune 500 companies across the US, Africa and the Middle East. Philip was the Managing Director of Airtel Ghana where he managed the aggressive growth of the company to become the 3rd largest Mobile Network Operator (MNO) in terms of revenue. Prior to that, at Zain, Philip led the start-up and launch of a new mobile operator and brand, Zain, as the first full 3G network in Ghana.

A team player and an empowering leader, under his leadership Airtel won several industry awards. He is also the recipient of three CEO of the Year awards and PWC's Ghana's Most Respected Company and CEO Awards.

Philip is currently a Partner at Nubuke Business Investment Advisory where he provides advisory services to government, public and private companies. He is passionate about sustainable CSR (Corporate Social Responsibility) projects. He has degrees in Physics and Mechanical Engineering from Grinnell College and Washington University- St. Louis respectively, both in the USA.

Dr. Mrs. Edith Dankwa



Dr. Mrs. Edith Dankwa has built a solid reputation over the years in rendering consultancy services on marketing communications and has served as a market entry strategist for foreign businesses seeking to extend their operations to Africa. She is also the Group Publisher and CEO of Business Times Africa Magazine (BT), Energy Today Magazine (ET) and Africa's leading source of credible and relevant business information, the Business & Financial Times (B&FT) newspaper and BIA Conferences, and Urban Press.

She holds a Bachelor of Arts degree in Management Studies from the University of Cape Coast, a Post Graduate Diploma in Marketing from the Chartered Institute of Marketing - Ghana, a Post Graduate Certificate in Newspaper Management from Inwent International Institute of Journalism, Germany, an Executive MBA from the GIMPA Business School, and a Doctoral Degree in Business Administration (International Business) from Walden University in the USA.

Over the past decade, Edith Dankwa has effectively developed and transformed Ghana's most successful business media house, Business & Financial Times Limited, into a formidable entity. Under her visionary leadership, B&FT Limited has extended its product and service range to serve both local and international markets through the publishing of her company's flagship product, the Business & Financial Times newspaper. As a publisher, Edith

Chairman's Review Continued

also runs the Pan-African business monthly, Business Times Magazine and the quarterly Pan-African energy industry publication, Energy Today Magazine, both circulated in South Africa, Zimbabwe, Nigeria, Ghana and other emerging markets in Africa and beyond.

Mrs. Nana Yaa Owusu-Ansah



Mrs. Nana Yaa Owusu-Ansah is a seasoned marketer with over 15 years work experience in cross-functional roles within Unilever.

She has multi-country and category experience in various positions including Personal Care Category Manager for Unilever Ghana, Skin Cleansing Category Manager for Unilever West Africa and Personal Care Marketing Director for Unilever Ghana and Nigeria. Before being appointed as Brand Building Director for Unilever Ghana in January 2016, she was the Head of Marketing for Africa Emerging Markets, now Central Africa with responsibility for several markets including Angola, Cameroon, DRC, Mauritius, Gabon and Southern African markets. Nana Yaa is currently the Beauty and Personal Care Director for Unilever Ghana and Francophone Africa

She holds a Post Graduate Diploma in Business and Marketing Strategy from EduQual and a Masters degree in Marketing and Innovation from the London School of Marketing.

Mr. Michael Ubeh



Mike has been with Unilever for the last 20 years with experience spanning customer management, customer operations and channel & customer marketing. Mike is the Customer Development Director for Unilever Ghana PLC.

He had previously worked with the Customer Development Centre of Excellence, Hindustan, Unilever India, in the capacity of Customer Development Operations Manager. His key tasks in this role, in addition to day-to-day customer operations, were to lead the delivery of leading-edge capability in the front end measured by delivery of many projects that ensured efficiency and cost effectiveness in operations and looking at current sales and management processes, understanding and taking insights from evolving technology and defining a service and product mix that could ensure a quantum jump in process efficiency.

Mike, prior to his international assignment, held various positions in Unilever Nigeria – Customer Development Director Distributive Trade, Route to Market (RTM) & Wholesale Transformation Lead Nigeria; General Sales Manager East; Regional Sales Manager Southeast; Customer Marketing Manager Foods; Trade Category Manager Foods and Field Sales Manager across various regions in Northern and Southern Nigeria.

Mike graduated as an Applied Chemist (B.Sc.) and obtained a Master of Business Administration, International Business from University of Cumbria, United Kingdom, and a postgraduate degree in Marketing from the Chartered Institute of Marketing, United Kingdom.

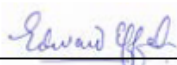
Biographical information of Directors

Age category

Up to 40 years 0

41 – 60 years 10

Above 60 years 0



Edward Effah

Chairman

Managing Director's Review

George Owusu-Ansah

Introduction

It is with great pleasure that I welcome you to this year's in person Annual General Meeting (AGM) following the holding of virtual AGM's the past 3 years because of the Covid-19 pandemic.

It is indeed refreshing that we can meet in person, see, and enjoy each other's company.

Thank you all for making time to attend.

I will now present a review of our operations in 2022.



General Business Overview

The global and local business environment was very challenging in 2022. We faced the now well documented multiple challenges of depreciation of the local currency, high inflation, and interest rates. These, had a knock-on effect of increasing the cost of our raw materials, stretching the disposable incomes of our shoppers and consumers, and increasing the cost of finance across our value chain.

All this, coming on the back of the near two year impact of the COVID-19 pandemic on life and business means we have in the last three years, had to pursue the effort to re-discover the greatness of your business against very unfavorable odds.

To ensure the challenges did not derail our recovery, we amongst others,

1. Sharpened our understanding of our consumers and shoppers.
2. Focused our Marketing and Brand investments on Demand generation and Equity building.
3. Improved the efficiency and effectiveness of our Route-To Market
4. Tightened our adherence and fidelity to Good governance, our Code and discipline in the management of our critical business operations
5. Attacked waste and cost across our value chain as we invested to make the business and our people more Capable and Future-Fit.

Beauty & Personal Care (BPC)

The Beauty and Personal Care (BPC) Category delivered an Underlying Sales Growth of 27.6%.

The Pepsodent and Lifebuoy brands continued to add value and positively impact homes through their purpose driven campaigns. The brands together, reached over two million mothers and kids, sharing with them good Oral and Personal Hygiene practices.

Managing Director's Review Continued

The focus in the coming period will be to grow volumes across all subcategories, sustain the improvement in profitability, and expand the portfolio.

Home Care

The Home Care Category experienced flat Growth.

The category continued its strong focus on margin improvement through product renovation and price increases to recover material and supply chain cost inflation.

Key Bar Soap was re-launched in a wrapped offering for the first time in the life cycle of the brand. The wrapped Key Bar will continue in the tradition of "Amansan Bofo"

We continued to drive our purpose led programs through the amplification of Sunlight Sheroes and the Key Soap Songtaa Livelihood Campaigns.

The focus in the coming period will be to grow volumes and improve profitability.

Nutrition

The Nutrition Business Group (formerly Foods and Refreshment Category) achieved an Underlying Sales Growth of 60.4%.

Our focus for this category is to expand our portfolio and improve our footprint in the delivery of nutrition to Ghanaians.

Operating And Financial Review

The Group's results for the year ended 31 December 2022 shows a 20% increase in revenue from GHs 527m in 2021 to GHs 632m in 2022.

Profit for the year was GHC 15m, an improvement over previous year profit of GHC 0.4m.

Cash Flow

Cash and cash equivalents ended at a deficit of GHs 57m in 2022 compared with a deficit position of GHs 26m in 2021.

This was largely due to our efforts in securing foreign currency to reduce our foreign exchange exposures.

Unilever Ghana PLC Sustainability activities

Unilever Ghana PLC was involved in a number of sustainability initiatives within the year 2022, On plastics, the company continued its role as an active member of the Ghana Recycling Initiative by Private Enterprises (GRIPLE).

We implemented a plastic-free policy at our Tema factory in 2022, an arrangement that saw the use of all forms of plastics, except reusable receptacles, banned from the factory site.

Donations

Well over thirty Senior and Basic High Schools benefitted from donations of cleaning products to them to aid maintenance of good hygienic at schools across the country.

The business donated an assortment of its products to selected schools, orphanages, and health facilities across the country during the yuletide to support families.

Managing Director's Review Continued

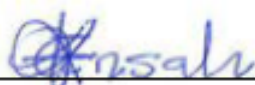
Awards Received

Unilever Ghana PLC's efforts were recognized by a number of awarding institutions in the course of the year. Some of the awards received by the company included:

- Innovative New Product of the Year - Closeup 'Complete Fresh Protection' toothpaste.
- Women's Choice Brand of the Year- Pepsodent
- Women Empowerment Brand of the Year - Sunlight, Shero Project
- Empowerment of Rural Women Project of the Year- Songtaa Project

Outlook For 2023

We remain committed to living our purpose of "Making sustainable living common place" and aim to deliver long-term value to our stakeholders.



George Owusu-Ansah
Managing Director

CORPORATE GOVERNANCE

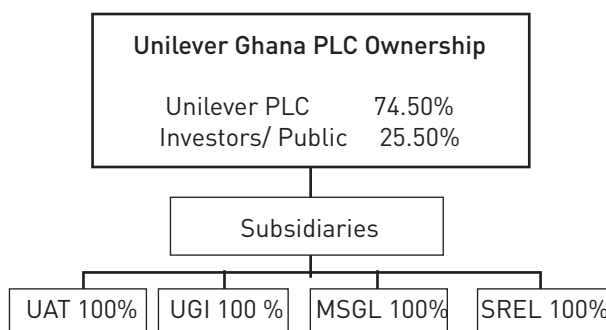
Introduction

Unilever recognises the importance of good corporate governance as a means of sustaining viability of the business in the long term, and further believes that the attainment of business objectives is directly aligned to good corporate behaviour. In line with this, and alongside the need to meet its responsibility to its shareholders and other stake holders, the company strives to meet expectations of the community in which it operates.

In the conduct of its business, Unilever has sought to comply with all statutory requirements, adopted, tried and proven best practices to protect the environment and its employees, invested in the community in which it operates, and strived to enhance shareholder value in the process. Unilever adopts both medium and long term growth strategies, and allocates resources in order to guarantee the creation of wealth. It utilises modern technology and continuously innovates in order to satisfy changing consumer and customer needs, and in so doing, stay ahead of the competition. Unilever promotes and recognises excellence through its employee development programmes.

The company has put in place sound operational control systems in order to safeguard the interests of shareholders and stakeholders. As indicated in the Statement of Responsibility of Directors and Notes to the Accounts, the business adopts standard accounting practices to facilitate transparency in the disclosure of information and to give assurance to the reliability of the Financial Statements.

Legal Structure of Unilever



Board of Directors

The responsibility of good corporate governance is placed on the Board of Directors and the Management Team. The Board of Directors are highly qualified and experienced in their professional areas of expertise. The Board is currently comprised of Four (4) executive directors and Five(5) non-executive directors, one of whom is the Chairman of the Board. The non-executive directors are the principal external presence in the governance of Unilever Ghana Limited and provide a strong independent element. The Board meets at least four (4) times a year to deliberate on Corporate strategy and implementation, approval of Annual Report and Accounts and recommendation of dividends amongst other things.

All directors with the exception of the Managing Director submit themselves for re-election at Annual General Meetings in accordance with the regulations of the Company and the Ghana Stock Exchange. To ensure effective control and monitoring of the company's business, the Board has an Audit Committee.

The Audit and Risk Committee

The Audit and Risk Committee is made up of 1 executive Director and 3 non-executive directors. It is chaired by a non-executive director who has a strong background and experience in business, finance and audit. The Committee meets to review the financial performance of the company, the adequacy of the internal audit plan, progress against current audit report recommendations, the adequacy of internal control systems and the degree

CORPORATE GOVERNANCE Continued

of business compliance with laid down internal policies, laws, code of business principles and any other relevant regulatory framework. The Committee also reviews findings of the external auditors.

The Nomination and Remuneration Committee

The Nomination and Remuneration Committee is made up of 1 executive Director and 3 non-executive directors. It is chaired by a non-executive director who has a strong background and experience in business administration. The Committee meets to periodically evaluate the skills, knowledge and experience required on the Board, provide input into the Annual Report of the Company, ensure succession policy and plan exists for the Executive Directors and any other relevant regulatory framework.

The Executive Committee

There is also an Executive Committee which oversees the day to day operational/management issues affecting the business.

The Executive Committee meets regularly to review the performance of the company and assess progress against the annual plan. It also reviews programmes, strategies, key issues and assigns responsibilities and resources for the achievement of set goals.

Consequently, the committee has oversight responsibility for innovation programmes, supply chain, financing strategies and human resource development programmes.

The Executive Committee is also charged with the responsibility of identifying and assessing the risk profile within which the company operates, with a view to eliminating or minimising the impact of such risks to the achievement of set company objectives.

Internal Controls

Unilever has a robust internal control system, which is well documented and regularly reviewed. The system incorporates internal control procedures, which are designed to provide reasonable assurance that assets are safeguarded and that the risks facing the business are being managed to eliminate or minimise their impact. The Board of Unilever Ghana has put in place a clear organizational structure and Board authorities are delegated to middle and lower level management in line with delegated responsibilities as defined by the said structure.

Unilever's corporate internal audit function plays a key role in providing an objective assessment of the adequacy and effectiveness of the internal control systems in the business.

Code of Business Principles.

Unilever has a documented Code of Business Principles to guide all employees and business partners in the discharge of their duties. This code sets the standard of professionalism and integrity required for business operations which among other things cover the following areas: compliance with the law, conflicts of interest, acquisition of company shares, public activities, product assurance, environmental management, accuracy and reliability of financial reporting, bribery, etc, and procedures for handling instances of non-compliance.

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REPORT OF THE AUDIT COMMITTEE

Membership of Audit Committee of the Board

The Unilever Ghana Audit Committee is comprised of Four Non-Executive Directors and one Executive Director. The Committee is chaired by Mrs Angela Peasah, a Chartered Accountant, Non-Executive Director with an extensive background in general management, accounting, finance, and audit. In attendance to the meetings were the Unilever Risk and Audit Manager and also the External Auditors of Unilever as and when was needed.

Role of the Audit Committee

The Audit Committee meets quarterly to review:

- The financial performance of the Company
- The adequacy of the plan of internal audit
- Current audit reports; statutory and internal audit
- The adequacy of internal controls
- The degree of compliance to laid down policies, laws, code of ethics and business practices of the Company and
- Compliance with the Sarbannes Oxley Act on Operational Control Assessment.
- Compliance with Securities and Exchange Commission (SEC) code of corporate governance

Summary of the Audit Committee's Activities in 2021

In 2021, the Unilever Ghana PLC's Audit Committee met five times on January 25 2022, March 5 2022, April 20 2022, July 19 2022, and October 19 2022 to consider issues affecting the business.

Review of the Financial Performance of the Company

At the January 25 2022 and March 5 2022 meetings, the committee reviewed the performance of the Company for the financial year ended 31 December 2021 and the audited accounts for the 2021 financial year respectively.

The Financial Controller reported on the highlights of the business performance for the year ended December 31, 2021.

The Committee was further updated on the Company's performance in 2022 during the April 22 2022, July 19 2022, and October 19 2022 meetings.

Internal Audit

The Internal Audit Manager provided Committee Members with highlights on progress with the 2021 audit plan, key findings for the quarter under review, business risks identified and the 2022 audit plan.

On progress with 2021 Audit actions it was reported that a total of 31 audit actions were identified. 23 of these actions had been remediated and closed. The remaining 8 were not yet due and that the team was working with management to ensure that they are closed on or before the due date.

The Internal Audit and Risk Manager further highlighted the 2022 Audit plan. The plan was approved by the Committee.

External Audit

The external Auditors of the Company, Deloitte & Touche, provided Committee members with an update on the audit of the 2021 Financial Statements.

They further indicated the timelines for the completion of the audit.

REMUNERATION AND NOMINATION COMMITTEE REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Membership of Remuneration And Nomination Committee of The Board

The Unilever Ghana Nomination and Remuneration Committee is comprised of Four Non-Executive Directors and one Executive Director. The Committee is chaired by Dr Mrs Edith Dankwa, Non-Executive Director with an extensive background in business administration.

Role of The Remuneration and Nomination Committee

The functions of the Committee are as follows: -

- Establishing the criteria for Board and Board Committee memberships, review candidates' qualifications and any potential conflict of interest and assessing the contribution of current directors in connection with their re-nomination and make recommendations to the Board.
- Periodic evaluation of the skills, knowledge and experience required on the Board.
- Making recommendations on experience required by Board Committee members, Committee appointments and removal, operating structure, reporting and other Committee operational matters.
- Making recommendations on compensation structure for executive directors.
- Providing input to the Annual Report of the Company in respect of the Committees activities
- Ensuring that the Board conducts a Board evaluation on an annual basis amongst others

Summary of The Audit Committee's Activities In 2022

In 2022, the Unilever Ghana PLC's Remuneration and Nomination Committee held its maiden meeting on April 19 2022 to;

- Review the draft Charter of the Committee and recommend changes
- Review proposed agenda items for subsequent meetings
- Recommendation on meeting frequency and review of dates for subsequent meetings

REPORT OF THE DIRECTORS

The Directors present their report and the consolidated and separate financial statements of the Group and Company for the year ended 31 December 2022.

Directors' Responsibility Statement

The Directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view of Unilever Ghana PLC, comprising the statements of financial position at 31 December 2022, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992). In addition, the Directors are responsible for the preparation of the report of the Directors.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The Auditor is responsible for reporting on whether the consolidated and separate financial statements give a true and fair view in accordance with the applicable financial reporting framework.

Going Concern Consideration and State of Affairs

The Group's current liabilities exceeded its current assets by GH¢115 million (2021: GH¢ 125 million). In addition, the Group had negative net cash and cash equivalents of GH¢57 million (2021: GH¢ 26 million). A substantial part of the Company's current liabilities is due to its related parties. Unilever PLC, the ultimate parent company of Unilever Ghana PLC on behalf of itself, Unilever Overseas Holdings Limited and UAC International Limited have confirmed in a letter to the Company that they will not demand repayment of balances due to them in the amount of GH¢87.95million for one year from the date of signing the financial statements for the year ended 31 December 2022.

The Group has prepared a forecast for the next twelve (12) months which shows the Group will have sufficient operating cashflows to finance future operations and will continue to remain profitable.

The Group also has overdraft arrangements which have not been fully utilised with some of its bankers to support its operational activities. Details on overdrafts are disclosed in Note 22.

Based on above information, the Directors expect the Group to continue as a going concern in the foreseeable future.

Accordingly, the financial statements have been prepared on the basis of the accounting policies applicable to that of a going concern. This basis assumes that cash flows arising from the normal course of business will be available to finance future operations of the Group and the realisation of assets and the settlement of liabilities would occur in the normal course of business.

Nature of Business/Principal Activities

The Group is registered to carry on the business of manufacturing and marketing of fast-moving consumer goods primarily in home care, personal care and foods categories. In 2021, the Tea Business was disposed off to Unilever Tea Distribution Ghana Limited.

Objective of the Group

The objective of the Group is to make sustainable living commonplace through its brands.

DIRECTORS' REPORT Continued

Holding Company

The Group is 74.5% owned by Unilever Overseas Holding Limited and UAC International Limited through a common control of its ultimate parent Unilever Plc, a Company incorporated in the United Kingdom.

Subsidiaries of the Group

The Company currently has 100% direct interest in the below dormant entities as at 31 December 2022:

Company Name	Country of Incorporation	Nature of Business
United Africa Trust Limited	Ghana	Investment Management
Swanzy Real Estate	Ghana	Real Estate Development
Unilever Ghana Investment Limited	Ghana	Holding Company
Miller Swanzy (Ghana) Limited	Ghana	Manufacturing, importing & exporting good, wares & merchandise of all kinds

Associates

The Group does not have direct or indirect equity share in any associates at 31 December 2022 (2021: Nil)

Five-Year Financial Highlights

Details of the five-year financial highlights is shown in the other information in the appendix.

Financial Statements / Business Review

The state of affairs of the Group and Company are as follows:

From continuing and discontinued operations

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Profit for the year	15,080	350	14,836	196
Total assets	411,754	382,541	409,547	380,577
Total liabilities	358,936	345,767	358,577	345,407
Total equity	52,818	36,774	50,970	35,170
	=====	=====	=====	=====

The Directors do not recommend the payment of dividend for the 2022 financial year (2021: Nil).

Particulars of Entities in the Interest Register During the Financial Year

No Director had any interest in contracts and proposed contracts with the Group and Company during the year under review, hence there were no entries recorded in the Interests Register as required by sections 194(6), 195(1) (a) and 196 of the Companies Act 2019, (Act 992).

Related Party Transactions

Information regarding Directors' interests in ordinary shares of the Group and Company and remuneration are disclosed in Note 30 to the financial statements. No Director has any other interest in any shares or loan stock of the Company. Related party transactions and balances are also disclosed in Note 28 to the financial statements.

Corporate Social Responsibility

Unilever Ghana PLC was involved in a number of sustainability initiatives within the year 2022, largely reflective of commitments it has made in respect of advancing solutions to the plastic menace facing the country and a determination to remain a business that is a force for good.

On plastics, Unilever Ghana PLC played a very active role as a member of the Ghana Recycling Initiative by Private Enterprises (GRIPE) coalition through participation in programs rolled out during the year. The coalition marked its 5th anniversary in 2022 and, therefore, initiated various programs and activities to commemorate the

DIRECTORS' REPORT Continued

milestone. Some of the activities included a meeting of all the Chief Executive Officers/ Managing Directors of the member companies making up GRIPE. This was followed by a courtesy call on the Minister of Environment, Science, Technology & Innovation, Honourable Dr. Kwaku Afriyie. Discussions with the Minister centred on ways by which GRIPE and the Ministry could work closely in tackling the plastic menace in the country.

GRIPE observed the 2022 World Clean-up Day by collaborating with the Sanitation & Water Resources Ministry and other environmentally conscious groupings to carry out a clean-up exercise at Nima (Gutter) in Accra. Employees of Unilever Ghana PLC volunteered and joined the exercise. GRIPE again organized a community sensitization exercise and beach clean-up drive at the Mensah Guinea Beach in Accra. Employees of the member companies again volunteered and joined the exercise.

Unilever Ghana PLC was able to implement a plastic-free policy at its Tema factory site in 2022, an arrangement that saw the use of non-production-based single-use plastics by employees, banned from the factory site.

Globally, Unilever has committed to a 50 % reduction in the use of virgin plastic in the manufacture of its products by 2025. It would also ensure a 25 % use of recycled plastics for production, in addition to collecting and processing more plastic than it sells by 2025. Within the same timelines, it plans to enforce a 100% reusable, recyclable or compostable plastic packaging policy in all its manufacturing facilities as well as maintain a zero-waste-to-landfill policy.

Well over 30 Senior and Basic High Schools benefitted from an exercise to donate Vim products to schools to aid efforts at maintaining good hygienic conditions in schools across the country. The business also donated an assortment of its products to selected schools, orphanages, and health facilities across the country during the yuletide as a gesture of goodwill for the faith its consumers kept in its operations.

BOARD OF DIRECTORS

Profile

Executive	Qualification	Outside board and management position
Mr. George Owusu-Ansah	o Bachelor of Science in Computer Science and Statistics - University of Ghana	- Advisory Board Member - Mentoring Women Ghana (MWG) - Executive Council Member - UKGCC
Mrs. Nana Yaa Owusu-Ansah	o Master of Arts –Marketing & Innovation from London School of Marketing o Post graduate Diploma – Business & Marketing Strategy Eduqual Extended Programme o Bachelor of Education – Psychology from University of Cape Coast	None
Mr. Michael Odinakachi Ubeh	o BSc (Hons) in Applied Chemistry- Federal University of Uyo Akwa Ibom Nigeria o Master in business administration Federal University of Technology -Yola Nigeria o Master of Business Administration- University of Cumbria o Post Graduate Certificate in Management- University of Cumbria- London. o Post Graduate Chattered Institute of Marketing United Kingdom	None
Mr. Priyadharshana Ekanayake	o Fellow, Member - CIMA o Passed Finalist of Australian Computer Society	None

DIRECTORS' REPORT Continued

Non-executive		
Mr. Edward Effah	<ul style="list-style-type: none"> o Chartered Accountant o Member of the Institute of Chartered Accountants in England & Wales. o Member of the Institute of Directors (UK) 	<ul style="list-style-type: none"> o Africa Capital LLC – Director o Fidelity Securities Limited – Director
Mr. Michael Otchere Duah (Appointed 1/8/2022)	<ul style="list-style-type: none"> o BA Degree (University of Ghana) o MBA – University of Wales, UK o Chartered member – CIPD 	None
Dr. Mrs. Edith Dankwa	<ul style="list-style-type: none"> o Doctor of Business Administration (DBA) – Walden University, USA o Master of Business Administration (MBA), Ghana Institute of Management & Public Administration o Post Graduate Certificate – Newspaper Management International Institute of Journalism (Germany) o Post Graduate Diploma – Marketing, Chartered Institute of Marketing, Ghana o B A Management Studies, University of Cape Coast 	<ul style="list-style-type: none"> o Business & Financial Times Limited o Conbiz Construction & Investment Limited o Executive Women Network
Mr. Carl Raymond Cruz	<ul style="list-style-type: none"> o Bachelor of Science degree in Marketing – De La Salle University, Philippines. 	<ul style="list-style-type: none"> o Executive Director, Unilever Nigeria PLC.
Mrs. Angela Peasah	<ul style="list-style-type: none"> o Chartered Accountant of the Institute of Chartered Accounts, Ghana o Executive MBA from the University of Ghana Business School, University of Ghana, Legon o Institute of Professional Studies (IPS) 	<ul style="list-style-type: none"> o Payroll Directorate of the Controller and Accountant General's Department.
Mr. Philip Odotei Sowah	<ul style="list-style-type: none"> o BSc Mechanical Engineering, Washington University, Missouri, USA o BA Physics, Grinnell College, Iowa, USA o Airtel Leadership in Action Program – INSEAD Business School, Singapore campus 	<ul style="list-style-type: none"> o Absa Bank Ghana Limited o mPharma Limited - Director o Rhema Energy Limited – Director

Role of the Board

The Directors are responsible for the long-term success of the Group and Company, to determine the strategic direction of the Group and Company and review operating, financial and risk performance. There is a formal schedule of matters reserved for the Board of Directors, including approval of the Company's annual business plan, the Company's strategy, acquisitions, disposals and capital expenditure projects above certain thresholds, all guarantees, treasury policies, the financial statements, the Group's dividend policy, transactions involving the issue or purchase of company shares, borrowing powers, appointments to the Board, alterations to the memorandum and articles of association, legal actions brought by or against the Group and Company, and the scope of delegations to Board committees, subsidiary boards and the management committee. Responsibility for the development of policy and strategy and operational management is delegated to the Executive Directors and a management committee, which as at the date of this report includes the Executive Directors and (5) senior managers who constitute the Leadership Team.

Internal Control Systems

The Directors have overall responsibility for the Company's internal control systems and annually review their effectiveness, including a review of financial, operational, compliance and risk management controls. The implementation and maintenance of the risk management and internal control systems are the responsibility of the executive Directors and other senior management. The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and to provide reasonable, but not absolute, assurance against material misstatement or loss. The Directors have reviewed the effectiveness of the internal control systems, including controls related to financial, operational and reputational risks identified by Group and the Company at the reporting date and no significant failings or weaknesses were identified during this review.

Directors' Performance Evaluation

Every year the performance and effectiveness of the Board of Directors ("the Board"), its committees and individual Directors is evaluated. The evaluation is conducted by the completion of detailed and comprehensive written survey questionnaires via Survey Monkey & Microsoft Forms. The result of the evaluation is shared with

DIRECTORS' REPORT Continued

all members of the Board. Overall, it was noted that the Board of Directors and its committees were operating in an effective manner and performing satisfactorily, with no major issues identified.

Professional Development and Training

On appointment to the Board, Directors are provided with a full, formal and tailored programme of induction, to familiarise them with the Group's business, the risks and strategic challenges the Group faces, and the economic, competitive, legal and regulatory environment in which the Group operates. A programme of strategic and other reviews, together with the other training provided during the year, ensures that Directors continually update their skills, their knowledge and familiarity with the Group's businesses and their awareness of sector, risk, regulatory, legal, financial and other developments to enable them to fulfil effectively their role on the Board and committees of the Board.

Conflicts of Interest

The Group has established appropriate conflicts authorisation procedures; whereby actual or potential conflicts are regularly reviewed, and authorisations sought as appropriate if any. This has been achieved by maintaining a conflict-of-Interest Register for recording disclosure of interests made by directors. During the year, no such conflicts arose, and no such authorisations were sought.

Board Balance and Independence

The composition of the Board of Directors and its Committees is regularly reviewed to ensure that there is a balance and mix of skills, independence, knowledge and experience. The Board considers that the Chairman is independent on appointment and all Non-Executive Directors are independent as it pertains to the management of the Company. The continuing independence and objective judgement of the Non-Executive Directors have been confirmed by the Board of Directors.

Auditor

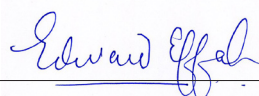
The Audit Committee has responsibility delegated from the Board of Directors for making recommendations on the appointment, reappointment, removal, and remuneration of the external auditor.

Audit Fees

The audit fee for the year is GH¢ 478,309 (2021: GH¢427,062).

Approval of The Report of The Directors

The report of the Directors of Unilever Ghana PLC was approved by the Board of Directors on 29 March 2023 and signed on their behalf by



Mr. Edward Effah
Chairman

Date: 29 March 2023



George Owusu-Ansah
Managing Director

Date: 29 March 2023



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF UNILEVER GHANA PLC

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Unilever Ghana PLC, (the Group and Company), set out on pages 28 to 79 which comprise the consolidated and separate statement of financial position as at 31 December, 2022, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flow for the year then ended, the notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory disclosures.

In our opinion, the financial statements give a true and fair view of consolidated and separate financial position of Unilever Ghana PLC as at 31 December, 2022, and its consolidated and separate financial performance and consolidated and separate cash flow for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 2019 (Act 992).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group and Company in accordance with the requirements of the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) and other independence requirements applicable to performing audits of financial statements in Ghana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of financial statements in Ghana.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 38 in the financial statements, which indicates that as at 31 December 2022, the Group's current liabilities exceeded its current assets by GH¢ 115 million (2021: GH¢ 125 million). In addition, the Group had negative net cash and cash equivalents of GH¢ 57 million (2021: GH¢ 26 million). These events or conditions, along with other matters as set forth in Note 38, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF UNILEVER GHANA PLC (CONTINUED)

The key audit matter	How the matter was addressed in our audit
<p>Deferred Tax Assets</p> <p>As disclosed in Note 15, the Company had deferred tax assets as at 31 December 2022 of GHS 24.2 million (2021: GHS 24.5 million).</p> <p>These deferred tax assets are recognized based on their likelihood of recovery pursuant to forecasts and medium-term plans prepared by the Company. The recovery horizon for these deferred tax assets is five years. Estimates of future taxable income are based on forecast of cash flows from operations, the reversal of temporary differences and the application of existing tax laws.</p> <p>The judgements and key assumptions made by management in their assessment include the forecast revenue growth rates, new products and strategies as well as the Company's ability to execute these plans.</p> <p>To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realise the net deferred tax assets recorded at the reporting date could be impacted.</p> <p>We identified this issue as a key audit matter due to the importance of the Company's judgment in the recognition of these assets and the particularly high level of tax loss carry-forwards of which only a portion has been capitalized due to recoverability prospects.</p>	<p>Our audit procedures consisted of the following, among others:</p> <ul style="list-style-type: none"> • Evaluating management's controls over the assessment and estimation process for deferred taxes including forecasting approach • Involving our internal tax specialists to evaluate the accuracy and completeness of deferred tax amounts, recalculating deferred tax amounts and the maturity of tax loss carry-forwards. • Assessing the future growth assumptions used to prepare the profitability forecasts used in the assessment by comparing growth forecasts to actual results, and • Performing a sensitivity analysis by adjusting the key assumption – growth rate – with a percentage to determine whether it would affect the utilization of the deferred tax asset. The results of the adjustment still allowed for the assessed loss to be utilized within the forecasted period. • We considered the adequacy of management's disclosures around the recoverability of deferred tax assets. <p>Based on the procedures performed, we found the judgement made by the Company reasonable and assess the related disclosures as appropriate.</p>

Other Information

The directors are responsible for the other information. The other information comprises the Report of the Directors, Financial Highlights, Other Information and the Statement of Directors' Responsibilities, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF UNILEVER GHANA PLC (CONTINUED)

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 2019 (Act 992) and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF UNILEVER GHANA PLC (CONTINUED)

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

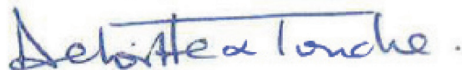
Report on Other Legal and Regulatory Requirements

In accordance with the Seventh Schedule of the Companies Act, 2019 (Act 992) we expressly state that:

1. We have obtained the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit.
2. In our opinion:
 - proper books of accounts have been kept by the Group and Company, so far as appears from our examination of those books.
 - the information and explanations given to us, were in the manner required by the Companies Act, 2019 (Act 992) and give a true and fair view of the:
 - a. statement of financial position of the Group and Company at the end of the financial year, and
 - b. statement of profit or loss and other comprehensive income for the financial year.
 - The group accounts have been properly prepared in accordance with the Companies Act, 2019 (Act 992), to give a true and fair view of the state of affairs, and the profit or loss of the company and its subsidiaries.
3. The Group and Company's statements of financial position and statement of profit or loss and other comprehensive income are in agreement with the accounting records and returns.
4. We are independent of the Group, pursuant to Section 143 of the Companies Act, 2019 (Act 992)

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF UNILEVER GHANA PLC (CONTINUED)**

The engagement partner on the audit resulting in this independent auditor's report is **Abena Biney** (ICAG/P/1508).



For and on behalf of Deloitte & Touche (ICAG/F/2023/129)
Chartered Accountants
The Deloitte Place, Plot No.71
Off George Walker Bush Highway
North Dzorwulu
Accra Ghana

30 March 2023

NEW

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Every Smile Matters

Consolidated and separate statement of profit or loss and other comprehensive income for the year ended 31 December 2022

(All amounts are expressed in thousands of Ghana cedis)

		Group		Company	
		2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Continuing operations	Note				
Revenue	5	631,477	526,912	631,477	526,912
Cost of sales	6	(475,876)	(429,866)	(475,876)	(429,866)
Gross profit		155,601	97,046	155,601	97,046
Distribution expenses	8	(14,730)	(16,723)	(14,730)	(16,723)
Brand and marketing investment expenses	9	(40,116)	(44,612)	(40,116)	(44,612)
Administrative expenses	10a	(70,752)	(79,564)	(70,732)	(79,536)
Restructuring costs	10b	(11,627)	(607)	(11,627)	(607)
Impairment release on trade & other receivables	36b(i)	1,612	2,874	1,612	2,874
Other income	11	12,457	9,134	12,457	9,134
Operating profit/(loss)		32,445	(32,452)	32,465	(32,424)
Finance income	13	1,088	574	824	341
Finance costs	13	(18,453)	(2,922)	(18,453)	(2,922)
Profit/(Loss) before taxation		15,080	(34,800)	14,836	(35,005)
Income tax expense	15a	-	(51)	-	-
Profit/(loss) for the year from continuing operations		15,080	(34,851)	14,836	(35,005)
Discontinued operations					
Profit from discontinued operations	12	-	35,201	-	35,201
Profit for the year		15,080	350	14,836	196
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Actuarial gain	26b	1,286	233	1,286	233
Related tax	15c	(322)	(58)	(322)	(58)
Other comprehensive income, net of tax		964	175	964	175
Total comprehensive income		16,044	525	15,800	371
Earnings per share					
Basic earnings per share	35	0.2413	0.0056	0.2374	0.0031
Diluted earnings per share	35	0.2413	0.0056	0.2374	0.0031

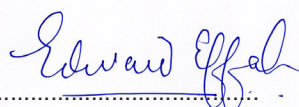
The notes on pages 32 to 79 form an integral part of these financial statements.

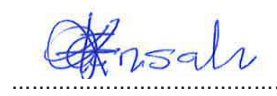
Consolidated and separate statement of financial position as at 31 December 2022

[All amounts are expressed in thousands of Ghana cedis]

	Note	Group		Company	
		2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Assets					
Property, plant and equipment	16a	133,750	131,166	133,750	131,166
Right-of-Use assets	17a(i)	22,761	10,255	22,761	10,255
Deferred tax asset	15c	24,159	24,481	24,159	24,481
Investment in subsidiaries	18a	-	-	10	10
Other investment	18b	11	11	-	-
Non-current assets		180,681	165,913	180,680	165,91
Inventories	19a	128,212	91,627	128,212	91,627
Trade and other receivables	20	33,747	24,539	33,707	24,515
Prepayments	21	1,368	3,633	1,368	3,633
Related party receivables	28c(i)	9,901	56,199	9,891	56,189
Current tax asset	15b	15,341	14,267	15,363	14,656
Cash and bank balances	22	42,504	26,363	40,326	24,045
Current assets		231,073	216,628	228,867	214,665
Total assets		411,754	382,541	409,547	380,577
Equity					
Share capital	23a	1,200	1,200	1,200	1,200
Capital surplus account	24	204	204	204	204
Retained earnings	23b	51,333	35,289	49,485	33,685
Share deals account	25	81	81	81	81
Total equity		52,818	36,774	50,970	35,170
Non-current liabilities					
Employee benefit obligations	26	6,193	4,236	6,193	4,236
Long term lease liability	17a(iv)	6,978	-	6,978	-
Non-current liabilities		13,171	4,236	13,171	4,236
Current liabilities					
Bank overdraft	22	99,646	52,055	99,646	52,055
Trade and other payables	27	84,594	92,140	84,362	91,907
Related party payables	28c(ii)	127,578	166,804	127,584	166,810
Dividend payables	29	22,417	22,417	22,284	22,284
Provisions	31	7,980	7,939	7,980	7,939
Short term lease liability	17a(iv)	3,550	176	3,550	176
Current liabilities		345,765	341,531	345,406	341,171
Total liabilities		358,936	345,767	358,577	345,407
Total liabilities and equity		411,754	382,541	409,547	380,577

The financial statements were approved by the Board of Directors on 29 March 2023 and signed on their behalf by:


Mr. Edward Effah


George Owusu-Ansah

The notes on pages 32 to 79 form an integral part of these financial statements.

Consolidated and separate statement of changes in equity for the year ended 31 December 2022

[All amounts are expressed in thousands of Ghana cedis]

GROUP 2022	Share capital GH¢'000	Capital surplus GH¢'000	Retained earnings GH¢'000	Share deals GH¢'000	Total equity GH¢'000
Balance at 1 January 2022	1,200	204	35,289	81	36,774
Total comprehensive income					
Profit for the year	-	-	15,080	-	15,080
Other comprehensive income	-	-	964	-	964
Total comprehensive income	-	-	16,044	-	16,044
Balance at 31 December 2022	1,200	204	51,333	81	52,818
2021					
Balance at 1 January 2021	1,200	204	34,764	81	36,249
Total comprehensive income					
Profit for the year	-	-	350	-	350
Other comprehensive income	-	-	175	-	175
Total comprehensive income	-	-	525	-	525
Balance at 31 December 2021	1,200	204	35,289	81	36,774
COMPANY					
2022					
Balance at 1 January 2022	1,200	204	33,685	81	35,170
Total comprehensive income					
Profit for the year	-	-	14,836	-	14,836
Other comprehensive income	-	-	964	-	964
Total comprehensive income	-	-	15,800	-	15,800
Balance at 31 December 2022	1,200	204	49,485	81	50,970
2021					
Balance at 1 January 2021	1,200	204	33,314	81	34,799
Total comprehensive income					
Profit for the year	-	-	196	-	196
Other comprehensive income	-	-	175	-	175
Total comprehensive income	-	-	371	-	371
Balance at 31 December 2021	1,200	204	33,685	81	35,170

The notes on pages 32 to 79 form an integral part of these financial statements.

Consolidated and separate statement of cash flows for the year ended 31 December 2022

(All amounts are expressed in thousands of Ghana cedis)

	Note	Group		Company	
		2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Cash flows from operating activities					
Cash (used in)/generated from operating activities	34	(43,515)	7,481	(43,478)	7,494
Interest paid	13	(18,453)	(2,922)	(18,453)	(2,922)
Interest received	13	1,088	574	824	341
Tax paid	15b	(1,074)	(2,102)	(707)	(2,102)
Net cash (used in)/generated from operating activities		(61,954)	3,031	(61,814)	2,811
Cash flows from investing activities					
Purchase of property, plant and equipment	16a	(16,035)	(17,587)	(16,035)	(17,587)
Proceeds from sale of property, plant and equipment	16d	75	50	75	50
Proceeds from sale of Tea Business	16c	39,747	-	39,747	-
Net cash generated from/(used in) investing activities		23,787	(17,537)	23,787	(17,537)
Cash flows from financing activities					
Dividend paid	29	-	(11,544)	-	(11,544)
Payment of principal portion of lease liability	17a(iii)	(3,735)	(1,335)	(3,735)	(1,335)
Net cash used in financing activities		(3,735)	(12,879)	(3,735)	(12,879)
Decrease in cash and cash equivalents		(41,902)	(27,385)	(41,762)	(27,605)
Cash and cash equivalents at 1 January		(25,692)	1,153	(28,010)	(945)
Effect of movement in exchange rate on cash and bank		10,452	540	10,452	540
Cash and cash equivalents at 31 December	22	(57,142)	(25,692)	(59,320)	(28,010)

The notes on pages 32 to 79 form an integral part of these financial statements.

Notes to the consolidated and separate financial statements For the year ended 31 December 2022

1. REPORTING ENTITY

Unilever Ghana PLC is registered and domiciled in Ghana. The Group and Company's registered office is at Plot No. Ind/A/2/3A-4 Tema. These consolidated financial statements as at and for the year ended 31 December 2022 comprise the Company and its subsidiaries. The Company is listed on the Ghana Stock Exchange.

2. Basis of Accounting

a. Statement of compliance

The consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies Act, 2019 (Act 992).

b. Basis of measurement

The consolidated and separate financial statements are prepared on the historical cost basis except for defined benefit obligations measured at the present value of the future benefit to employees.

c. Functional and presentation currency

These consolidated financial statements are presented in Ghana cedis (GH¢) which is the Group's functional and presentation currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated

d. Basis of consolidation

The consolidated annual financial statements incorporate the annual financial statements of the Group and all investees controlled by the Group.

The results of subsidiaries are included in the consolidated annual financial statements from the effective date of acquisition to the effective date of disposal. Adjustments are made when necessary to the annual financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

All intra-Company transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the Group's interest therein and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Transactions which result in changes in ownership levels, where the Group has control of the subsidiary both before and after the transaction are regarded as equity transaction and are recognised directly in the statement of changes in equity.

The difference between the fair value of consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the parent.

Where a subsidiary is disposed off and a non-controlling shareholding is retained, the remaining investment is measured to fair value with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest.

d (ii). In the current year, there was interest income received by one of the dormant subsidiaries on treasury bills that had been held since July 2015. The parent and subsidiaries have the same reporting date, and where the most recent financial statements of the subsidiary are used, management has adjusted for the effects of significant



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Financial Statements

Notes to the financial statements (Continued)

transactions or events between the reporting dates of the subsidiary and consolidated financial statements. All the subsidiaries are dormant entities.

e. Business combinations

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

Contingent consideration is included in the cost of the combination at fair value as at the date of acquisition. Subsequent changes to the assets, liability or equity which arise as a result of the contingent consideration are not affected against goodwill, unless they are valid measurement period adjustments.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business combinations are recognised at their fair values at acquisition date, except for non-current assets (or disposal Company) that are classified as held-for-sale in accordance with IFRS 5 Non-current assets held-for-sale and discontinued operations, which are recognised at fair value less costs to sell.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

On acquisition, the Group assesses the classification of the acquiree's assets and liabilities and reclassifies them where the classification is inappropriate for Group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

Goodwill is determined as the consideration paid, plus the fair value of any shareholding held prior to obtaining control, plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree.

Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

f. Use of estimates and judgment

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

g. Assumption and estimated uncertainties

(i) Information about assumptions and estimation uncertainties at 31 December 2022 that may have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year

Financial Statements

Notes to the financial statements (Continued)

is included in the following notes:

- o Note 26: Measurement of defined benefit obligation: Key actuarial assumptions.
- o Note 36(b)(i): Measurement of ECL allowance for trade receivables: Key assumptions in determining the weighted – average loss rate
- o Note 19b: Estimate of expected returns: Key assumptions in determining refund asset and liability
- o Note 15c: Recognition of deferred tax assets: availability of future taxable profit underpinned by revenue growth assumptions against which deductible temporary difference and tax losses carried forward can be utilised;
- o Note 12: Discount rate used in the determining the value of the Tea Business.

3. Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented.

a. Investment in subsidiaries

Investment in subsidiaries are stated at cost less impairment allowance. Note 18 provides details on the investments in subsidiaries.

b. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components).

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised at the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss, as incurred.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each class of an item of property, plant and equipment. The estimated useful lives for the current and comparative periods are as follows:

Buildings	-	40 years
Plant and machinery	-	14 years
Computer equipment	-	5 years
Furniture and fittings	-	4 years
Office equipment and others	-	5 years
Moulds & dies	-	5 years
Motor vehicles	-	4 years

Depreciation methods, useful lives and residual values are reassessed and prospectively adjusted if appropriate, at each reporting date. Property, plant and equipment is derecognised on disposal or when no future economic benefits is expected from its use.

Financial Statements

Notes to the financial statements (Continued)

(iv) Derecognition

Gains and losses on derecognition of property, plant and equipment are determined by comparing proceeds from disposal with the carrying amounts of property, plant and equipment and are recognised in profit or loss.

(v) Capital work in-progress

Property, plant and equipment under construction is stated at initial cost and depreciated from the date the asset is made available for use over its estimated useful life. Assets are transferred from capital work in progress to an appropriate category of property, plant and equipment when commissioned and ready for its intended use.

(vi) Spare parts

Spare parts, stand by and servicing equipment held by the Group generally are classified as inventories. However, if major spare parts and stand by equipment are expected to be used for more than one period or can be used only in connection with an item of property, plant and equipment, then they are classified as property, plant and equipment.

c. Leases

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

i. As a lessee

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

Financial Statements

Notes to the financial statements (Continued)

- o fixed payments, including in-substance fixed payments.
- o variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- o amounts expected to be payable under a residual value guarantee
- o the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option and
- o penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii. As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component based on their relative standalone prices.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

d. Inventories

Inventories are measured at the lower of cost and net realisable value using the weighted average cost principle. The cost of inventories includes expenditure incurred in acquiring inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

Financial Statements

Notes to the financial statements (Continued)

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services.

e. Financial instruments

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair values plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

(a) Financial assets

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- o it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- o its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirement to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

(b) Financial assets - Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- o the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

Financial Statements

Notes to the financial statements (Continued)

- o how the performance of the portfolio is evaluated and reported to the Group's management;

the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- o how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- o the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

(c) Financial assets - assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- o contingent events that would change the amount or timing of cash flows;
- o terms that may adjust the contractual coupon rate, including variable-rate features;
- o prepayment and extension features; and
- o terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the sole payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

(d) Financial assets - Subsequent measurement and gains and losses:

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised

Financial Statements

Notes to the financial statements (Continued)

cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

(e) Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost and are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Other financial liabilities comprise trade and other payables, related party payables, dividend payables and bank overdraft.

(iii) Measurements of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The Group regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of an asset or liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in fair value hierarchy based on the inputs used in the valuation techniques as follows:

- o Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- o Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- o Level 3: inputs for the asset and liability that are not based on observable market data (unobservable inputs).

If inputs used to measure the fair values of asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognised transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in determining fair values is included in note 36, financial instrument - fair values and risk management

(iii) Derecognition

(a) Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

(b) Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is

Financial Statements

Notes to the financial statements (Continued)

recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(c) Impairment

(i) Non-derivative financial assets

Financial instruments

The Group recognises loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortised cost.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition are measured at 12 month ECLs.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- o the debt is 120 days past the invoice date
- o the debtor is unlikely to pay its credit obligations to the Group in full due to bankruptcy
- o there are adverse changes in the payment status of debtors

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12 month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

Financial Statements

Notes to the financial statements (Continued)

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- o significant financial difficulty of the borrower or issuer;
- o a breach of contract such as a default
- o the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- o it is probable that the borrower will enter bankruptcy or other financial reorganisation;

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

(i) Non-derivative financial assets (cont'd)

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group has a policy of writing off the gross amount when the financial asset is 365 days past due and based on historical experience of recoveries, the Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Non financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial asset (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the assets recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely dependent of the cash inflows of other assets and CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cashflows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated to reduce the carrying amount of the assets in the CGU on a pro rata basis. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised

Financial Statements

Notes to the financial statements (Continued)

f. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Other financial liabilities comprise trade and other payables, related party payables, bank overdraft and dividend payables.

g. Share capital

Ordinary Shares

Proceeds from issue of ordinary shares are classified as equity. Incremental costs that are directly attributable to the issue of equity instruments are deducted from the initial measurement of the equity instrument.

h. Income tax

Income tax expenses comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividend.

Current tax assets and liabilities

Current tax assets and liabilities are offset only if the Company:

- a. has a legally enforceable right to set off the recognised amounts; and
- b. intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the amounts used for taxation purpose. Deferred tax is not recognized for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans and the reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that future taxable profits will be available against which they can be used.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences, differences when they reverse, using tax rates enacted or substantially enacted at the reporting date. The measurement of

Financial Statements

Notes to the financial statements (Continued)

deferred tax reflects the tax consequences that would follow from the manner in which the Group expects to recover or settle the carrying amount of its assets and liabilities

Deferred tax assets and liabilities are offset only if:

- a. the Group has a legally enforceable right to set off current tax asset against current tax liabilities; and
- b. the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either;
 - o the same taxable entity; or
 - o different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

i. Provision

Provisions for restructuring costs and legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise employee termination payments. A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense in the profit or loss.

j. Employee benefits

The Group operates various pension schemes. Some of the schemes are generally funded through payments to trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans.

(i) Short term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing incentive scheme if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Obligations for contributions to defined contribution schemes are recognised as an expense in profit or loss in periods during which services are rendered by employees.



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Financial Statements

Notes to the financial statements (Continued)

a. Social security contribution

Under a national pension scheme, the Group contributes 13% of employee's basic salary to the Social Security and National Insurance Trust (SSNIT) for employee pensions. The Group's obligation is limited to the relevant contributions, which have been recognised in the financial statements. The pension liabilities and obligations, however, rest with SSNIT.

b. Tier 3 Pension fund and saving scheme

The Group and the Company have a Tier 3 Pension fund and Saving Scheme for staff and management under which the Group and the Company contribute 5% and 2.5% respectively to the scheme.

(iii) Defined benefit plan

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of the future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of the economic benefit available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of future economic benefit, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liability which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. The Group determines the net interest expense (Income on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined liability (asset) during the period as a result of contribution and benefit payment.

Net interest expense and other expenses relating to defined benefit plans are recognised in profit or loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefits that relates to the past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Termination

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognised cost for restructuring. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(v) Other long term benefit

Long Service Award accrue to employees based on graduated periods of uninterrupted and dedicated service to the Company. Staff who serve for ten years and above are awarded with cash donations, bundles of aluminium roofing sheets and testimonial. The plan is not funded, and the awards accrue over the service life of employees. The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to

Financial Statements

Notes to the financial statements (Continued)

determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

(k) Revenue from contracts with customers

(i) Sale of goods

The Company generates revenue primarily from the sale of its products from nutrition, home care and personal care. Refer to note (37) segmental information.

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

Customers obtain control of goods when goods are delivered. Goods are considered delivered once the customer acknowledges receipt of the promised goods. Invoices are generated at that point in time. Sales to Key distributors are on credit and are usually payable within 30 days. The Group may allow some customers to return items at their own discretion.

For contracts that permit the customer to return an item, revenue is recognised to the extent that is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data for specific types of products. In these circumstances, a refund liability and a right to recover returned goods asset is recognised. The right to recover returned goods asset is measured at the former carrying amount of the inventory less any expected costs to recover goods. The refund liability is included in other payables (See Note 27) and the right to recover returned goods is included in inventory (See Note 19). The Group reviews its estimate of expected returns at each reporting date and updates the amounts of the asset and liability accordingly.

(l) Finance income and finance costs

Finance income comprises interest income on funds invested or held in bank accounts. Interest income is recognised in profit or loss using the effective interest method. Finance costs comprise interest expense on borrowings and interest expense on lease liability which is presented in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

The Group has presented interest expense on the lease liability as part of finance costs, separately from the depreciation charge for the right-of-use asset.

(m) Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses are presented in profit or loss within cost of sales and administrative expenses.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to functional currency at exchange rate prevailing at that date. Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rate at the date of the transaction.

Financial Statements

Notes to the financial statements (Continued)

(n) Dividend

Dividend is recognised as a liability in the period in which they are declared by the Board and approved by the shareholders.

(o) Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Executive Directors.

The operating segments report are based on product category which is classified as home care products, personal care products and foods products, because they require different technology and marketing strategies.

(p) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(q) Operating profit

Operating profit is the result generated from the continuing principal revenue-producing activities of the Group as well as other income and expenses related to operating activities. Operating profit excludes net finance costs and income taxes.

4. New Standards and Interpretations Issued But Not Effective

A number of new standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

A. Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences - e.g. leases and decommissioning liabilities. The amendments apply for annual reporting periods beginning on or after 1 January 2023. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, the amendments apply to transactions that occur after the beginning of the earliest period presented.

The Group accounts for deferred tax on leases and decommissioning liabilities by applying the integrally linked approach, resulting in a similar outcome to the amendments, except that the deferred tax asset or liability is recognised on a net basis. Under the amendments, the Group will recognise a separate deferred tax asset and a deferred tax liability.

B. Classification of Liabilities as Current or Non-Current Amendments to IAS 1

The amendments, as issued in 2020, aim to clarify the requirements on determining whether a liability is current or non-current, and apply for annual reporting periods beginning on or after 1 January 2023. However, the IASB has subsequently proposed further amendments to IAS 1 and the deferral of the effective date of the 2020 amendments to no earlier than 1 January 2024.

Financial Statements

Notes to the financial statements (Continued)

Due to these ongoing developments, the Group is unable to determine the impact of these amendments on-the consolidated financial statements in the period of initial application.

C. Other Standards

The following new and amended standards are not expected to have a significant impact on the Group's consolidated financial statements.

- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimates (Amendments to IAS 8).
- Amendments to IFRS 10 and IAS 28

5. Revenue

The Group generates revenue primarily from manufacturing and sale of fast-moving consumer goods in home care, personal care, and nutrition categories. Revenue comprises the value of goods and services invoiced less discounts and rebates.

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Gross sales value	698,962	586,492	698,962	586,492
Discounts and rebates	(67,485)	(59,580)	(67,485)	(59,580)
Net revenue	631,477	526,912	631,477	526,912
By customer:				
Third parties	630,652	523,422	630,652	523,422
Related parties (Notes 28b)	825	3,490	825	3,490
	631,477	526,912	631,477	526,912

6. Cost of Sales

Cost of goods sold comprises raw materials, conversion costs and materials sourcing expenses.

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Raw materials & conversion costs	368,576	372,221	368,576	372,221
Supply support	13,305	10,630	13,305	10,630
Trademark & knowhow fees	526	7,613	526	7,613
Depreciation (Note 16b)	11,288	10,506	11,288	10,506
Staff costs (Note 14a)	33,901	24,689	33,901	24,689
Depreciation on ROU Assets	1,459	374	1,459	374
Impairment loss (Note 16b)	597	-	597	-
Net exchange losses	46,224	3,783	46,224	3,783
Write-off of PPE	-	50	-	50
	475,876	429,866	475,876	429,866

Financial Statements

Notes to the financial statements (Continued)

7. Profit/(Loss) Before Tax is stated after charging:

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Staff cost (Note 14a, b)	60,077	43,622	60,077	43,622
Depreciation of PPE (Note 16a)	12,854	12,119	12,854	12,119
Impairment loss (Note 16a)	597	-	597	-
Depreciation of ROU Assets (Note 17ai)	1,741	1,213	1,741	1,213
Auditor's remuneration (Note 10)	478	427	478	427
Directors' remuneration (Note 30)	10,105	6,264	10,105	6,264
	=====	=====	=====	=====

8. Distribution Expenses

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Warehouse, storage & handling expenses	7,387	16,685	7,387	16,685
Outbound distribution expenses	7,343	38	7,343	38
	-----	-----	-----	-----
	14,730	16,723	14,730	16,723
	=====	=====	=====	=====

9. Brand & Marketing Investment Expenses

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Advertising expenses	17,806	20,362	17,806	20,362
Promotion expenses	20,733	22,872	20,733	22,872
Merchandising expenses	1,577	1,378	1,577	1,378
	-----	-----	-----	-----
	40,116	44,612	40,116	44,612
	=====	=====	=====	=====

10. Administrative Expenses

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Business group fees*	1,579	23,860	1,579	23,860
Market research cost	6,933	7,173	6,933	7,173
Information technology costs	2,597	2,633	2,597	2,633
Third party service	12,664	7,799	12,664	7,799
Directors' remuneration (Note 30)	10,105	6,264	10,105	6,264
Professional and legal costs	740	5,303	740	5,303
Bank charges	466	975	446	962
Utilities	1,973	1,152	1,973	1,152
Repairs and maintenance	994	1,128	994	1,128
Insurance	521	426	521	426
Depreciation	1,566	1,613	1,566	1,613

Financial Statements

Notes to the financial statements (Continued)

Staff Costs (Note 14b)	26,176	18,933	26,176	18,933
Auditor's remuneration	478	442	478	427
Depreciation on ROU Assets	281	839	281	839
Net exchange loss	2,580	-	2,580	-
Other expenses	1,099	1,024	1,099	1,024
	-----	-----	-----	-----
	70,752	79,564	70,732	79,536
	=====	=====	=====	=====

* Business group fees include trademark, technology and services royalties charged by Unilever PLC. In 2022, Unilever PLC waived off 2022 royalties through a royalty holiday initiative.

10b. Restructuring Costs

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Restructuring costs	11,627	607	11,627	607
	=====	=====	=====	=====

Restructuring costs relate to redundancy costs following implementation of Project Fit, a project to simplify business processes and eliminate inefficiencies in ways of working.

11. Other Income

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Management fees - TOPP	2,658	2,599	2,658	2,599
Income from Ekaterra	5,577	990	5,577	990
Income from tank farm rental	2,015	4,138	2,015	4,138
Income from sale of scrap	895	902	895	902
Income from disposal of PPE (Note 16d)	75	44	75	44
Income from sub-lease	14	14	14	14
Other sundry income	1,223	447	1,223	447
	-----	-----	-----	-----
	12,457	9,134	12,457	9,134
	=====	=====	=====	=====

12. Discontinued Operation – Tea Separation

On 23 July 2020, following the completion of a strategic review, Unilever PLC ("Unilever" and together with its group companies, the "Unilever Group") announced its intention to separate the Unilever Group's global tea business (the "Tea Business") (the "Separation"). The Tea Business is in the food segment.

With the approval of shareholders of Unilever Ghana PLC, the disposal was completed on 1 October 2021, on which date control passed to the acquirer, Unilever Tea Distribution Ghana Limited. Details of the assets disposed off, and the calculation of the profit or loss on disposal, are disclosed in note 16c.

Financial Statements

Notes to the financial statements (Continued)

The results of the discontinued operations, which were included in the profit for the year, were as follows:

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Revenue	-	31,882	-	31,882
Expenses	-	(26,631)	-	(26,631)
Profit before tax	-	5,251	-	5,251
Results from operating activities, net of tax	-	5,251	-	5,251
Gain on disposal of Tea Business (Note 16c)	-	29,950	-	29,950
Profit from discontinued operation	-	35,201	-	35,201

A profit of GH¢29.95 million arose on the disposal of the Tea Business, being the difference between the proceeds of disposal and the carrying amount of the Tea Business' net assets and attributable goodwill. There is no income tax for the discontinued operation as the discontinued operation is not treated as a separate entity. Tax assessment is done for Unilever Ghana PLC.

13. Finance Income and Cost

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Finance income				
Interest on deposits, t-bills and call deposits	1,088	574	824	341
Finance Cost				
Interest on lease liability (Note 17a(ii))	(637)	(122)	(637)	(122)
Interest on bank overdrafts	(17,816)	(2,800)	(17,816)	(2,800)
	(18,453)	(2,922)	(18,453)	(2,922)

Increase in interest on overdraft is due to increase in overdraft balances and interest rates during the year.

14. Staff Costs

Staff costs are charged to cost of sales and administrative expenses as follows:

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
a. Cost of sales				
Wages & salaries to employees	31,630	22,670	31,630	22,670
Defined contribution scheme	2,271	2,019	2,271	2,019
	33,901	24,689	33,901	24,689

Financial Statements

Notes to the financial statements (Continued)

b. Administrative expenses

Wages & salaries to employees
Defined contribution scheme
Employee benefits obligation

23,928	16,466	23,928	16,466
1,621	1,606	1,621	1,606
627	861	627	861
26,176	18,933	26,176	18,933
-----	-----	-----	-----
60,077	43,622	60,077	43,622
=====	=====	=====	=====

Total staff costs

The average number of employees at the end of the year was 240 (2021: 252).

15. Taxation

(a) Income Tax Expense

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Current tax		51	-	-
Deferred tax	-	-	-	-
	-----	-----	-----	-----
	-	51	-	-
	=====	=====	=====	=====

(b) Current Tax Asset

Group	Balance at 1/1	Payment /WHT credit during the year	Charge for the year	Balance at 31/12
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
2022				
Prior to 2016	(1,536)	-	-	(1,536)
2016-2019	(8,395)	-	-	(8,395)
2020	(2,285)	-	-	(2,285)
2021	(2,051)	-	-	(2,051)
2022	-	(1,074)	-	(1,074)
	-----	-----	-----	-----
Current tax	(14,267)	(1,074)	-	(15,341)
	=====	=====	=====	=====
2021				
Prior to 2016	(1,536)	-	-	(1,536)
2016-2019	(8,395)	-	-	(8,395)
2020	(2,285)	-	-	(2,285)
2021	-	(2,102)	51	(2,051)
	-----	-----	-----	-----
Current tax	(12,216)	(2,102)	51	(14,267)
	=====	=====	=====	=====

Financial Statements

Notes to the financial statements (Continued)

Company	Balance at 1/1	Payment /WHT credit during the year	Charge for the year	Balance at 31/12
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
2022				
Prior to 2016	(1,536)	-	-	(1,536)
2016-2019	(8,695)	-	-	(8,695)
2020	(2,323)	-	-	(2,323)
2021	(2,102)	-	-	(2,102)
2022	-	(707)	-	(707)
	-----	-----	-----	-----
Current tax	(14,656)	(707)	-	(15,363)
	=====	=====	=====	=====
2021				
Prior to 2016	(1,536)	-	-	(1,536)
2016-2019	(8,695)	-	-	(8,695)
2020	(2,323)	-	-	(2,323)
2021	-	(2,102)	-	(2,102)
	-----	-----	-----	-----
Current tax	(12,554)	(2,102)	-	(14,656)
	=====	=====	=====	=====

The above tax position is subject to agreement with the tax authorities.

15c Recognised Deferred Tax Asset/Liability

Group/Company	Net balance at 1/1	Recognised in profit	Recognised in OCI	Net Balance at 31/12
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
2022				
Property, plant and equipment	19,927	(3,124)	-	16,803
Right-of-use asset	2,794	262	-	3,056
Provisions	(6,506)	(2,903)	-	(9,409)
Loss carried forward	(34,187)	7,686	-	(26,501)
Finance cost carried forward	(4,863)	(1,889)	-	(6,752)
Employee benefits	(1,646)	(32)	322	(1,356)
	-----	-----	-----	-----
Deferred tax (asset)/liability	(24,481)	-	322	(24,159)
	=====	=====	=====	=====
2021*				
Property, plant and equipment	13,084	6,843	-	19,927
Right of-use-asset	-	2,794	-	2,794
Provisions	(5,635)	(871)	-	(6,506)
Loss carried forward	(28,912)	(5,275)	-	(34,187)
Finance cost carried forward	(2,225)	(2,638)	-	(4,863)
Employee benefits	(851)	(853)	58	(1,646)
	-----	-----	-----	-----
Deferred tax (asset)/liability	(24,539)	-	58	(24,481)
	=====	=====	=====	=====

Financial Statements

Notes to the financial statements (Continued)

*Extra details have been added to the 2021 disclosure to provide further information. These extra details do not have any effect on the balance.

15d Unrecognised Deferred Tax Assets

Recognition of deferred tax assets of GH¢24.2million (2021: GH¢24.5million) is based on management's 5-year profit forecasts which are based on evidence available, including historical levels of profitability. The 5-year forecast shows that the Company will have future taxable profits against which these assets can be used. Deferred tax assets have thus been recognised on the basis that future taxable profits will be available against which these assets can be used.

Deferred tax assets have not been recognised in respect of the portion of tax losses that may not be probable that future taxable profit will be available against which the group can use the benefits therefrom.

Tax Losses Carried Forward

	Gross amount GH¢'000	Expiry date
Tax loss for 2021	13,468 =====	2026
Tax loss for 2020	56,498 =====	2025
Tax loss for 2019	48,100 =====	2024

(e) Tax Reconciliation

The tax recorded in profit or loss differs from the theoretical amount that would arise using the statutory income tax rate. This is explained as follows for the Company:

	2022 GH¢'000	2021 GH¢'000
Profit before taxation	14,836 =====	196 =====
Tax calculated at the statutory income tax rate of 25%	3,709	49
Tax effect of:		
Disallowable expenses	6,936	5,071
Unrecognized deferred tax for the year	-	(5,120)
Change in estimate from prior year	-	-
Tax losses utilized for which no deferred tax is recognised	(10,645)	-
	-----	-----
Income tax charge	-	-
	-----	-----
Effective tax rate	Nil =====	Nil =====

Financial Statements

Notes to the financial statements (Continued)

16a Property, Plant and Equipment Group/ Company

2022	Building GH¢'000	Plant & machinery GH¢'000	Computer equipment GH¢'000	Furniture fittings GH¢'000	Office equipment & others GH¢'000	Moulds & die GH¢'000	Motor Vehicles GH¢'000	Capital work in- progress GH¢'000	Total GH¢'000
Cost									
At 1/1/22	33,432	119,574	3,395	882	9,804	278	2,708	12,902	182,975
Additions	-	-	-	-	-	-	-	16,035	16,035
Capitalisation or transfers	3,292	5,602	-	1,682	3,592	933	-	(15,101)	-
Disposals	-	(2)	-	(119)	-	-	-	-	(121)
At 31/12/22	36,724	125,174	3,395	2,445	13,396	1,211	2,708	13,836	198,889
Accumulated depreciation & Impairment losses									
At 1/1/22	4,949	35,630	1,485	623	6,813	278	2,031	-	51,809
Charge for the year	906	9,213	557	314	1,031	156	677	-	12,854
Impairment loss	6	591	-	-	-	-	-	-	597
Released on disposal	-	(2)	-	(119)	-	-	-	-	(121)
At 31/12/22	5,861	45,432	2,042	818	7,844	434	2,708	-	65,139
Carrying amount 31/12/22	30,863	79,742	1,353	1,627	5,552	777	-	13,836	133,750

16(a) Property, Plant and Equipment (Cont'd)

2021	Building GH¢'000	Plant & machinery GH¢'000	Computer equipment GH¢'000	Furniture fittings GH¢'000	Office equipment & others GH¢'000	Moulds & die GH¢'000	Motor Vehicles GH¢'000	work in- progress GH¢'000	Total GH¢'000
Cost									
At 1/1/21	35,619	123,408	4,679	1,119	8,825	278	2,708	7,716	184,352
Additions	-	-	-	-	255	-	-	17,332	17,587
Capitalisation or transfers	863	8,449	1,024	274	1,536	-	-	(12,146)	-
Disposals	(1)	(81)	-	-	-	-	-	-	(82)
Sale of tea assets	(3,000)	(11,798)	-	(401)	(190)	-	-	-	(15,389)
Write-offs	(49)	(404)	(2,308)	(110)	(622)	-	-	-	(3,493)
At 31/12/21	33,432	119,574	3,395	882	9,804	278	2,708	12,902	182,975
Accumulated depreciation									
At 1/1/21	4,646	31,472	3,204	967	6,880	278	1,354	-	48,801
Charge for the year	891	9,118	582	107	744	-	677	-	12,119
Released on disposals	-	(76)	-	-	-	-	-	-	(76)
Released on tea assets sold	(581)	(4,480)	-	(341)	(190)	-	-	-	(5,592)
Released on write-off	(7)	(404)	(2,301)	(110)	(621)	-	-	-	(3,443)
At 31/12/21	4,949	35,630	1,485	623	6,813	278	2,031	-	51,809
Carrying amount 31/12/21	28,483	83,944	1,910	259	2,991	-	677	12,902	131,166

Financial Statements

Notes to the financial statements (Continued)

Depreciation has been charged to the statement of comprehensive income as follows:

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Cost of sales (Note 6)	11,288	10,506	11,288	10,506
Administrative expenses (Note 10a)	1,566	1,613	1,566	1,613
	-----	-----	-----	-----
	12,854	12,119	12,854	12,119
	=====	=====	=====	=====

At the year ended 31 December 2022, there was no restriction on title to the Group's property, plant and equipment (2021: Nil). Additionally, the Group did not pledge any of its assets as security for liabilities (2021: Nil).

b. Impairment Loss

In October 2022, an impairment review of property, plant and equipment carried out revealed that some assets were permanently idle. Accordingly, management has written down the value of its assets to their recoverable amounts. The impairment loss recognised in the year was GH¢ 596,994 (2021: Nil)

c. Tea Assets disposed

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Gross book value (Note 16a)	-	15,389	-	15,389
Accumulated depreciation (Note 16a)	-	(5,592)	-	(5,592)
Carrying amount	-	9,797	-	9,797
	-----	-----	-----	-----
Consideration receivable	-	(39,747)	-	(39,747)
	-----	-----	-----	-----
Gain on disposal of tea assets	-	(29,950)	-	(29,950)
	=====	=====	=====	=====

d. Other disposals in the ordinary course of business

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Gross book value	121	82	121	82
Accumulated depreciation	(121)	(76)	(121)	(76)
	-----	-----	-----	-----
Carrying amount	-	6	-	6
Consideration received	(75)	(50)	(75)	(50)
	-----	-----	-----	-----
Gain on disposal of tea assets	(75)	(44)	(75)	(44)
	=====	=====	=====	=====

17. Right of Use Assets

a. As a lessee

The Company leases land, vehicles and warehouse spaces. The lease period for land is 50 years and that of vehicles typically run between four and five years. Included in the right-of-use asset is a 3-year lease of warehouse space.

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Financial Statements

Notes to the financial statements (Continued)

(i) Right-of-use assets – Group/Company

Information about leases for which the Group and Company is a lessee is presented below:

	Land GH¢'000	Vehicles GH¢'000	Warehouse GH¢'000	Total GH¢'000
2022				
Balance at 1 January	10,064	191	-	10,255
Additional right-of-use asset recognised	-	4,284	9,963	14,247
Depreciation on right-of-use assets	(257)	(377)	(1,107)	(1,741)
Balance at 31 December	9,807	4,098	8,856	22,761
	=====	=====	=====	=====
2021				
Balance at 1 January	10,347	1,121	-	11,468
Depreciation on right-of-use assets	(283)	(930)	-	(1,213)
Balance at 31 December	10,064	191	-	10,255
	=====	=====	=====	=====

(ii) Amounts recognised in profit or loss

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Interest on lease liability (Note 13)	637	122	637	122
	=====	=====	=====	=====

(iii) Amounts recognised in statement of cashflows

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Payment of principal portion of lease liabilities	3,735	1,335	3,735	1,335
Interest payment (Note 13)	637	122	637	122
	-----	-----	-----	-----
	4,372	1,457	4,372	1,457
	=====	=====	=====	=====

(iv) Lease liabilities

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Balance at 1 January	176	1,511	176	1,511
Additional lease liability recognised in the year	14,247	-	14,247	-
Interest on lease liabilities	637	122	637	122
Payments made	(4,372)	(1,457)	(4,372)	(1,457)
Exchange gain from currency translation	(160)	-	(160)	-
	-----	-----	-----	-----
Balance at 31 December	10,528	176	10,528	176
	=====	=====	=====	=====

Lease liabilities included in the statement of financial position at 31 December

Financial Statements

Notes to the financial statements (Continued)

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Less than one year	3,550	176	3,550	176
More than one year	6,978	-	6,978	-
	-----	-----	-----	-----
	10,528	176	10,528	176
	=====	=====	=====	=====

Maturity analysis – contractual undiscounted cash flows

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Less than one year	5,270	187	5,270	187
One to two years	5,270	-	5,270	-
	-----	-----	-----	-----
Two to five years	4,319	-	4,319	-
	-----	-----	-----	-----
Total undiscounted lease liabilities	14,859	187	14,859	187
	=====	=====	=====	=====

17 b. As a lessor

In 2019, the Company sub-let a portion of leased land that has been presented as part of its right-of-use asset. The lease and sub-lease expire in 2068. The Company has classified the sub-lease as a finance sublease. The Company does not have any other leases as a lessor.

In 2022, the Group recognised interest income on lease receivables of GH¢14,225 (2021: GH¢14,225).

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Less than one year	14	14	14	14
One to two years	14	14	14	14
Two to three years	14	14	14	14
Three to four years	14	14	14	14
Four to five years	14	14	14	14
More than five years	571	585	571	585
	-----	-----	-----	-----
Total undiscounted lease receivable	641	655	641	655
	-----	-----	-----	-----
Unearned finance income	(548)	(562)	(548)	(562)
	-----	-----	-----	-----
Net investment in the lease	93	93	93	93
	=====	=====	=====	=====

Financial Statements

Notes to the financial statements (Continued)

18. Investments

a. Investment in Subsidiaries

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Unilever Ghana Investments Limited	-	-	10	10
	=====	=====	=====	=====

Investments in United Africa Trust Limited, Miller Swanzy and Swanzy Real Estate are less than GH¢1,000 and so do not reflect in the list of subsidiaries above.

Name of subsidiary	Nature of business	% held in 2022 & 2021	Country of incorporation
United Africa Trust Limited	Investment management	100	Ghana
Swanzy Real Estate	Real Estate Development	100	Ghana
Unilever Ghana Investments Limited	Holding Company	100	Ghana
Miller Swanzy (Ghana) Limited	Manufacturing, importing & exporting goods, wares & merchandise of all kinds	100	Ghana

18b. Other investments

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Equity Investment – Ghana Union Assurance Company Limited	11	11	-	-
	-----	-----	-----	-----

Miller Swanzy (Ghana) Limited, a subsidiary of Unilever Ghana Limited, holds equity investments in Ghana Union Assurance Company Limited.

19a. Inventories

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Raw and packing material	27,632	32,386	27,632	32,386
Work in process	3,297	394	3,297	394
Finished goods	48,718	24,270	48,718	24,270
Consumable spares	11,671	9,660	11,671	9,660
Goods in transit	36,438	24,723	36,438	24,723
Right to recover returned goods	456	194	456	194
	128,212	91,627	128,212	91,627
	=====	=====	=====	=====

At 31 December 2022, there were no inventories pledged as security (2021: Nil). The amount of inventory recognised in cost of sales amounted to GH¢334.4million (2021: GH¢429.9 million). The written down values of raw materials, consumables, and changes in work in process and finished goods included in cost of sales amounted to GH¢13,744,865 (2021: GH¢ 2,578,243) Inventory items are written down when they are expired or damaged. Inventory provision as at 31 December 2022 amounted to GH¢14.72million (2021:GH¢5.5million)

Financial Statements

Notes to the financial statements (Continued)

19b. Refund Asset and Liability

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Right to recover returned goods (Note 19a)				
Balance at 1 January	194	119	194	119
Amount recognised in raw material and conversion cost	262	75	262	75
	-----	-----	-----	-----
Balance at 31 December	456	194	456	194
	=====	=====	=====	=====
Refund Liability (Note 27)				
Balance at 1 January	240	207	240	207
Amount recognised in revenue	364	33	364	33
	-----	-----	-----	-----
Balance at 31 December	604	240	604	240
	=====	=====	=====	=====

20. Trade and Other Receivables

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Trade receivables	20,943	25,658	20,943	25,658
Other receivables	22,443	10,120	22,403	10,096
Gross amount	43,386	35,778	43,346	35,754
Impairment allowance (Note 36 b(i))	(10,174)	(11,786)	(10,174)	(11,786)
Net amount	33,212	23,992	33,172	23,968
Amounts due from staff	442	454	442	454
Lease receivable	93	93	93	93
	-----	-----	-----	-----
Total	33,747	24,539	33,707	24,515
	=====	=====	=====	=====

The maximum indebtedness from staff amounted to GH¢441,876 (2021: 454,286).

Investment in Twifo Oil Palm Plantation (TOPP)

Included in other receivables is an amount of GH¢2.5million relating to shares of Twifo Oil Palm Plantation (TOPP) purchased from the Government of Ghana.

In 2008, the Company bought shares in TOPP valued at \$7.2 million from the Government of Ghana. After the acquisition, a lawsuit was brought against the Company by PS Investment Limited challenging the sale of the Government shares in TOPP to the Company resulting in an impairment of the initial investment to GH¢2.5million currently held under other receivables.

In 2012, the Supreme Court gave a ruling to set aside the sale of the shares in TOPP to the Company. Following the Supreme Court ruling, TOPP ceased to be a subsidiary and the cost of the investment in TOPP in the books of the Company was reclassified to receivables from the Government of Ghana. Subsequent to the Supreme Court ruling, the case has been taken to Alternative Dispute Resolution (ADR). The Company has entered into negotiations with the Government of Ghana for the resolution of this matter.

Financial Statements

Notes to the financial statements (Continued)

21. Prepayments

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Prepaid Insurance	685	438	685	438
Other prepaid items	683	3,195	683	3,195
	-----	-----	-----	-----
At 31 December	1,368	3,633	1,368	3,633
	=====	=====	=====	=====

22. Cash and Cash Equivalents

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Short term investment - 91-day treasury bills	-	2,082	-	-
Cash at bank	42,504	24,281	40,326	24,045
Bank balances	42,504	26,363	40,326	24,045
Bank overdrafts repayable on demand and used for cash management purpose	(99,646)	(52,055)	(99,646)	(52,055)
	-----	-----	-----	-----
Cash and cash equivalents in the statement of cashflows	(57,142)	(25,692)	(59,320)	(28,010)
	=====	=====	=====	=====

Included in cash at bank is a GH¢5.9million fixed deposit held with Access Bank Ghana Limited with maturity less than 3 months from date of acquisition. The Group had no restriction on cash and bank balances at 31 December 2022 (2021: Nil)

Bank overdraft facilities

At the reporting date, the Group had the following approved overdraft facilities with certain local banks to support working capital needs.

Ecobank Ghana PLC

The Company has a GHS 40 million unsecured overdraft facility with Ecobank Ghana Limited to finance its working capital operations. At the end of reporting period, GHS 17million of the approved facility had been utilized. The facility is valid till March 2023 at an interest rate of GRR+1%.

Stanbic Bank Ghana Limited

The Company has a GHS 120million unsecured overdraft facility with Stanbic Bank Ghana Limited to finance its working capital operations. At the end of reporting period, GHS 45million of the approved facility had been utilized. The facility is valid till February 2025 at an interest rate of GRR+0.75%.

Standard Chartered Bank Ghana Plc

The Company has a GHS 10 million unsecured overdraft facility with Standard Chartered Bank Ghana Plc to finance its working capital operations. At the end of reporting period, GHS 9million of the approved facility had been utilized. The facility is valid till June 2023 at an interest rate of GRR+1%.

Societe Generale Ghana Plc

The Company has a GHS33 million unsecured overdraft facility with Societe Generale Ghana Plc to finance its working capital operations. At the end of reporting period, GHS 28 million of the approved facility had been utilized. The facility is valid till November 2023 at an interest rate of GRR+1%.

Financial Statements

Notes to the financial statements (Continued)

23. Capital and Reserves

a. Share capital

	2022		2021	
	No of Shares '000	Proceeds GH¢ '000	No of Shares '000	Proceeds GH¢ '000
Authorised				
Ordinary shares of no par value	100,000	-	100,000	-
Issued and fully paid	62,500	931	62,500	931
Transferred from surplus	-	269	-	269
	=====	=====	=====	=====
	62,500	1,200	62,500	1,200

There is no unpaid liability on any shares and there are no calls or instalments unpaid. There are no treasury shares. The holders of ordinary shares are entitled to receive dividend as declared from time to time and entitled to one vote per share at meetings of the Company.

b. Retained earnings

This represents the residual of cumulative annual results that are available for distribution to shareholders when in credit.

24. Capital Surplus Account

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Balance at 31 December	204	204	204	204
	=====	=====	=====	=====

This represents the surplus on property, plant and equipment that was deemed as part of the cost of the related items on the Company's transition to International Financial Reporting Standards.

25. Share Deals Account

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Balance at 1 December	81	81	81	81
	=====	=====	=====	=====

The share deals account was created in line with section 63 of the Companies Act, 2019 (Act 992) to purchase the Company's own shares.

26. Employee Benefits Obligations

(i) Ex-gratia pensions

Ex-gratia pensions is an unfunded scheme for retired employees of UAC (Africa) Ghana Limited. These unfunded pensions were granted to bring the total pension (including Social Security) received by retired members from UAC (Africa) Pension Fund to an agreed percentage. For current members of the Managers' Pension Scheme, this practice is not applicable.

Financial Statements

Notes to the financial statements (Continued)

(ii) Long Service Award

Long Service award is an unfunded scheme to reward staff for their continuous and dedicated service to the Company. Staff who serve for ten years and above are awarded with cash donations, bundles of aluminium roofing sheets and testimonials. The plan is not funded. The awards vary depending on the number of years served by employees who meet the criteria.

(iii) End of service benefit plan

End of service benefit is an unfunded scheme for non-management staff of Unilever Ghana Plc. The scheme is applicable to non-management employees upon retirement, early retirement or death.

For the above schemes, a full and independent actuarial valuation was carried out at the end of the year using the Projected Unit Credit Method in accordance with IAS 19 revised.

a. Assumptions

The major assumptions used by the actuaries for the two major schemes are as follows:

Discount rate
Salary inflation
Pension inflation

2022	2021
%	%
27	21
15	15
15	11

Financial Statements

Notes to the financial statements (Continued)

26 b. Movement in employee benefit obligations

Group/Company

	2022				2021			
	Ex-gratia pensions GH¢'000	Long service award GH¢'000	End of service benefit GH¢'000	Total GH¢'000	Ex-gratia pensions GH¢'000	Long service award GH¢'000	End of service benefit GH¢'000	Total GH¢'000
Changes in liability								
Balance at 1 January	1,891	2,345	2,019	6,255	1,962	1,460	-	3,422
Service cost	-	276	97	373	-	205	-	205
Interest cost	359	488	420	1,267	405	299	-	704
Actuarial loss/(gain) arising from financial assumptions	(293)	(810)	-	(1,103)	88	(617)	-	(529)
Actuarial (gain)/loss arising from other sources	97	1,076	(1,090)	83	(321)	1,615	-	1,294
Benefits paid/settlement	(239)	(443)	-	(682)	(243)	(617)	-	(860)
Balance at 31 December	1,815	2,932	1,446	6,193	1,891	2,345	-	4,236
Financial position								
Employee benefit obligation	1,815	2,932	1,446	6,193	1,891	2,345	-	4,236
Net liability	1,815	2,932	1,446	6,193	1,891	2,345	-	4,236
Included in profit or loss								
Service cost	-	276	97	373	-	205	-	205
Interest cost	359	488	420	1,267	405	299	-	704
Net interest and service cost	359	764	517	1,640	405	504	-	909
Actuarial loss	-	266	-	266	-	998	-	998
Amount recognised in profit or loss	359	1,030	517	1,906	405	1,502	-	1,907
Other comprehensive income								
Actuarial gain	196	-	1,090	1,286	233	-	-	233
Reconciliation of statement of financial position								
Opening value	1,891	2,345	2,019	6,255	1,962	1,460	-	3,422
Benefits paid	(239)	(443)	-	(682)	(243)	(617)	-	(860)
Amount recognised in profit or loss	359	1,030	517	1,906	405	1,502	-	1,907
Amount recognised in OCI	(196)	-	(1,090)	(1,286)	(233)	-	-	(233)
Net defined obligation	1,815	2,932	1,446	6,193	1,891	2,345	-	4,236

c. Sensitivity Analysis

Reasonably, possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Group/Company

	2022		2021	
	Increase GH¢'000	Decrease GH¢'000	Increase GH¢'000	Decrease GH¢'000
Discount rate (1% movement)	229	(247)	373	(66)
Salary inflation (1% movement)	(254)	237	248	(176)

Although the analysis does not take account of the full distribution of cash flow expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

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Financial Statements

Notes to the financial statements (Continued)

27. Trade and Other Payables

	Group		Company	
	2022	2021	2022	2021
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Trade payables	39,658	47,209	39,658	47,209
Accrued liabilities	23,677	21,734	23,677	21,713
Trade Terms Structure accrual	4,381	5,881	4,381	5,881
Other payables	16,274	17,076	16,042	16,864
Refund Liability	604	240	604	240
	-----	-----	-----	-----
	84,594	92,140	84,362	91,907
	=====	=====	=====	=====

28. Related Party Transactions

The Company is 74.5% owned by Unilever Overseas Holding Limited and UAC International Limited through a common control of its ultimate parent Unilever Plc. It is related to other Unilever operations across the world by virtue of common ownership by Unilever Overseas Holding Limited. Transactions and balances with related parties are as follows:

a. Purchase of goods and services

	Group		Company	
	2022	2021	2022	2021
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Ultimate parent				
Unilever PLC	2,757	28,300	2,757	28,300
	=====	=====	=====	=====
Other affiliates				
Unilever Nigeria PLC	9,889	1,950	9,889	1,950
Unilever Cote D'Ivoire	4,676	2,346	4,676	2,346
Unilever Gulf Freezone Establishment	2,157	2,104	2,157	2,104
Unilever Vietnam Joint Venture Company	79,896	55,766	79,896	55,766
Unilever Asia Private Limited	7,111	5,701	7,111	5,701
Unilever UK Central Resources Limited	195	296	195	296
Unilever South Africa (Pty) Limited	2,733	2,045	2,733	2,045
Unilever Supply Chain Company AG	-	3,022	-	3,022
Unilever Indonesia	23,840	8,730	23,840	8,730
Unilever (Sichuan) Co. Ltd	2,432	4,076	2,432	4,076
Unilever Industries Private Limited	667	624	667	624
Unilever Kenya Limited	355	1,096	355	1,096
Unilever Europe IT Services	443	557	443	557
Unilever Sri Lanka	-	941	-	941
Unilever Europe Business Center BV	2,935	1,333	2,935	1,333
Unilever Tea Distribution Ghana Ltd	8,610	2,639	8,610	2,639
	-----	-----	-----	-----
	145,939	93,226	145,939	93,226
	=====	=====	=====	=====

b. Sale of goods

	Group		Company	
	2022	2021	2022	2021
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Unilever Cote d'Ivoire (Note 5)	825	3,490	825	3,490
	=====	=====	=====	=====

Financial Statements

Financial risk management (Continued)

(c) Related party receivable and payable balances at 31 December

The following are related party balances at year end. These outstanding balances are not subject to any commitment, conditionalities and other considerations to be provided in respect of settlement and in addition to any guarantee given or to be received. In addition, no provision for doubtful debt or bad debt expense has been recorded in relation to these balances during the year (2021: Nil) because the credit risk is assessed to be negligible. All outstanding balances with these related parties are to be settled in cash.

(i) Related party receivables

Other affiliates

Unilever Nigeria Plc
Unilever Cote D'Ivoire
Unilever UK Central Resources Limited
Unilever Tea Distribution Ghana Ltd
Other related parties

Group		Company	
2022	2021	2022	2021
GH¢'000	GH¢'000	GH¢'000	GH¢'000
4,709	2,261	4,709	2,261
202	84	202	84
2,251	1,443	2,251	1,443
-	51,407	-	51,407
2,739	1,004	2,729	994
-----	-----	-----	-----
9,901	56,199	9,891	56,189
=====	=====	=====	=====

(iii) Related party payables

Ultimate parent

Unilever PLC
Unilever South Africa (Pty) Limited
Unilever Nigeria Plc
Unilever Cote d' Ivoire
Unilever Gulf
Unilever Vietnam
Unilever Indonesia
Unilever Industries Private Limited
Unilever Supply Chain
Unilever Sichuan
Unilever Tea Distribution Ghana Ltd
Unilever Sri Lanka Limited
Other Related Parties

Group		Company	
2022	2021	2022	2021
GH¢'000	GH¢'000	GH¢'000	GH¢'000
69,725	92,871	69,725	92,871
1,212	467	1,212	467
27,839	27,147	27,839	27,147
1,686	1,648	1,686	1,648
-	298	-	298
21,613	24,151	21,613	24,151
3,945	8,085	3,945	8,085
692	614	692	614
-	3,032	-	3,032
-	3,721	-	3,721
-	2,639	-	2,639
-	953	-	953
866	1,178	872	1,184
-----	-----	-----	-----
127,578	166,804	127,584	166,810
=====	=====	=====	=====

29. Dividend Payable

Balance at 1 January
Payments during the year

Balance at 31 December

Group		Company	
2022	2021	2022	2021
GH¢'000	GH¢'000	GH¢'000	GH¢'000
22,417	33,961	22,284	33,828
-	(11,544)	-	(11,544)
-----	-----	-----	-----
22,417	22,417	22,284	22,284
=====	=====	=====	=====

Financial Statements

Financial risk management (Continued)

30. Key Management Personnel Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and Company directly or indirectly including any Director (whether executive or otherwise) of the Company.

Key management personnel compensation included the following:

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Short-term employee benefits				
Executive Directors	8,630	5,288	8,630	5,288
Non-executive Directors	981	592	981	592
Other key management personnel	2,988	3,203	2,988	3,203
Total short-term employee benefits	12,599	9,083	12,599	9,083
Post-employment benefit				
Executive Directors	494	384	494	384
Other key management personnel	143	287	143	287
Total post-employee benefits	637	671	637	671
Amount relating to:				
Directors	10,105	6,264	10,105	6,264
Other key management personnel	3,131	3,490	3,131	3,490
Total employee benefit	13,236	9,754	13,236	9,754

31. Provisions

Group/Company

	Legal GH¢'000	CSR & AGM GH¢'000	Total GH¢'000
2022			
Balance at 1 January	7,939	-	7,939
Provisions made during the year	41	-	41
Provisions used during the year	-	-	-
Balance at 31 December	7,980	-	7,980
2021			
Balance at 1 January	2,176	676	2,852
Provisions made during the year	10,316	-	10,316
Provisions used during the year	(4,553)	(676)	(5,229)
Balance at 31 December	7,939	-	7,939

Legal provisions relate to legal claims against the Group, the outcome of which is uncertain. Provision for the legal cases is the best estimate of claims from legal actions brought against the Group for which the Company has assessed that it is probable judgement may go against the Group.

Corporate Social Responsibility & AGM provisions relate to Annual General Meeting expenses and expenses related to CSR projects for which the amount and timing is uncertain.

Financial Statements

Financial risk management (Continued)

32. Contingent Liabilities

In 2021, the Company had a pending legal case before the court for which the potential liability of GH¢1.04 million was not provided for in Note 31. In 2022, the matter was struck out by the court for want of prosecution. The Plaintiff's subsequent application to relist this case was struck out as unmeritorious.

In 2019, Ghana Revenue Authority (GRA) submitted a report on the Company's transfer pricing audit for 2012-2016 years of assessment. The audit resulted in a tax liability of GH¢ 6,236,200. In the opinion of the Directors, the Company has enough evidence to justify the expenses which gave rise to the liability. The Company has objected to the report and paid GH¢1,559,500 as part of 30% of the disputed tax liability to sustain the objection in line with section 42(5) of the Revenue Administration Act, 2016 (Act 915). The Company has appealed against GRA's decision in court.

33. Commitments

Total capital expenditure commitments at the reporting date were as follows:

	Group		Company	
	2022	2021	2022	2021
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Property, plant & equipment contracted	2,671	2,811	2,671	2,811

34. Cash Generated from Operations

	Group		Company	
	2022	2021	2022	2021
	GH¢'000	GH¢'000	GH¢'000	GH¢'000
Profit for the year	15,080	350	14,836	196
Adjustments for:	-	-	-	-
Depreciation on PPE (Note 16a)	12,854	12,119	12,854	12,119
Impairment loss (Note 16b)	597	-	597	-
Profit on disposal of Tea assets (Note 16c)	-	(29,950)	-	(29,950)
Profit on disposal of PPE in the ordinary course of business (Note 16d)	(75)	(44)	(75)	(44)
Write-off of PPE	-	50	-	50
Depreciation on ROU asset (Note 17a(i))	1,741	1,213	1,741	1,213
Unrealized exchange gain on lease liability	(160)	-	(160)	-
Unrealized exchange difference	(10,452)	(540)	(10,452)	(540)
Employment benefit and retirement plan expense (Note 26b)	1,640	909	1,640	909
Actuarial loss/(gain) on employee benefits (Note 26b)	266	998	266	998
Benefits paid (Note 26b)	(682)	(860)	(682)	(860)
(Increase)/Decrease in inventories	(36,585)	5,394	(36,585)	5,394
(Increase)/Decrease in trade and other receivables	(9,208)	1,124	(9,191)	1,124
Decrease/(Increase) in prepayment	2,265	(2,981)	2,265	(2,981)
Decrease in related party receivables	6,551	5,898	6,551	5,898
(Decrease)/Increase in trade and other payables	(5,527)	(11,104)	(5,527)	(11,119)
(Decrease)/Increase in related party payables	(39,226)	17,419	(39,226)	17,419
Increase in provisions	41	5,087	41	5,087
Tax charge	-	51	-	-
Interest on bank overdraft (Note 13)	17,816	2,800	17,816	2,800
Interest on lease liability (Note 13)	637	122	637	122
Interest income (Note 13)	(1,088)	(574)	(824)	(341)
Cash (used) in /generated from operations	(43,515)	7,481	(43,478)	7,494

Financial Statements

Financial risk management (Continued)

35. Basic Earnings / (Loss) Per Share

The calculation of basic and diluted EPS has been based on the following profit/loss attributable to ordinary shareholders and weighted average number of ordinary shares outstanding. This excludes ordinary shares purchased by the Company and held as treasury shares.

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Earnings per share from continuing and discontinued operations				
Profit/(loss) attributable to equity holders (GH¢'000)	15,080	350	14,836	196
Weighted average number of ordinary shares in issue (Note 23) (GH¢'000)	62,500	62,500	62,500	62,500
Basic earnings per share	0.2413	0.0056	0.2374	0.0031
Diluted earnings per share	0.2413	0.0056	0.2374	0.0031

36. Financial Instrument – Fair Values and Risk Management

a. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Financial Statements

Financial risk management (Continued)

Group

	Other financial assets at amortised cost GH¢'000	Financial liabilities GH¢'000	Total GH¢'000
31-Dec-22			
Financial assets not measured at fair value			
Trade and other receivables (Note 20)	33,747	-	33,747
Related party receivables (Note 28c(i))	9,901	-	9,901
Cash and bank balances (Note 22)	42,504	-	42,504
	-----	-----	-----
	86,152	-	86,152
	=====	=====	=====
Financial liabilities not measured at fair value			
Trade and other payables (Note 27)	-	84,594	84,594
Related party payables (Note 28c(ii))	-	127,578	127,578
Dividend payable (Note 29)	-	22,417	22,417
Bank overdraft (Note 22)	-	99,646	99,646
Lease liabilities (Note 17aiv)	-	10,528	10,528
	-----	-----	-----
	-	344,763	344,763
	=====	=====	=====
31-Dec-21			
Financial assets not measured at fair value			
Trade and other receivables (Note 20)	24,539	-	24,539
Related party receivables (Note 28c(i))	56,199	-	56,199
Cash and bank balances (Note 22)	26,363	-	26,363
	-----	-----	-----
	107,101	-	107,101
	=====	=====	=====
Financial liabilities not measured at fair value			
Trade and other payables (Note 27)	-	92,140	92,140
Related party payables (Note 28c(ii))	-	166,804	166,804
Dividend payable (Note 29)	-	22,417	22,417
Bank overdraft (Note 22)	-	52,055	52,055
Lease liabilities (Note 17iv)	-	176	176
	-----	-----	-----
	-	333,592	333,592
	=====	=====	=====

Financial Statements

Financial risk management (Continued)

36. Financial Instrument – Fair Values and Risk Management (cont'd)

Company

31-Dec-22	Other financial assets at amortised cost GH¢'000	Financial liabilities GH¢'000	Total GH¢'000
Financial assets not measured at fair value			
Trade and other receivables (Note 20)	33,707	-	33,707
Related party receivables (Note 28c(i))	9,891	-	9,891
Cash and bank balances (Note 22)	40,326	-	40,326
	-----	-----	-----
	83,924	-	83,924
	=====	=====	=====
Financial liabilities not measured at fair value			
Trade and other payables (Note 27)	-	84,362	84,362
Related party payables (Note 28c(ii))	-	127,584	127,584
Dividend payable (Note 29)	-	22,284	22,284
Bank overdraft (Note 22)	-	99,646	99,646
Lease liabilities (Note 17iv)	-	10,528	10,528
	-----	-----	-----
	-	344,404	344,404
	=====	=====	=====
31-Dec-21			
Financial assets not measured at fair value			
Trade and other receivables (Note 20)	24,515	-	24,515
Related party receivables (Note 28c(i))	56,189	-	56,189
Cash and bank balances (Note 22)	24,045	-	24,045
	-----	-----	-----
	104,749	-	104,749
	=====	=====	=====
Financial liabilities not measured at fair value			
Trade and other payables (Note 27)	-	91,907	91,907
Related party payables (Note 28c(ii))	-	166,810	166,810
Dividend payable (Note 29)	-	22,284	22,284
Bank overdraft (Note 22)	-	52,055	52,055
Lease liabilities (Note 17iv)	-	176	176
	-----	-----	-----
	-	333,232	333,232
	=====	=====	=====

(b) Financial risk management

(i) Overview

The Group has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risks

Financial Statements

Financial risk management (Continued)

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's management team is responsible for developing and monitoring the Group's risk management policies. The team meets periodically to discuss corporate plans, evaluate progress reports and action plans to be taken. Risk issues that may have financial reporting implications are brought to the attention of the Finance Director for the necessary action to be taken. The management team reports regularly to the Board of Directors on their activities.

There is an internal audit function which monitors compliance with internal procedures and processes and also assesses the effectiveness of internal controls.

The Group's risk management policies are established to identify and analyse risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Group, through training, management standards and procedures that have been adopted aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

(a) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign currency risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in currencies other than the functional currency. The currencies in which these transactions primarily are denominated are the United States Dollar (US\$), Euro (€), British pound (GBP) and South African Rand (ZAR).

The Group and Company's exposure to foreign currency risk are reported in foreign denominated balances as follows.

2022	USD	EURO	GBP	ZAR
Bank balances	2,596	357	5	11
Related party receivables	336	412	3	-
Trade payables	(398)	(58)	(8)	-
Related party payables	(4,563)	(290)	(64)	(1,755)
	-----	-----	-----	-----
Net exposure	(2,029)	421	(64)	(1,744)
	=====	=====	=====	=====
2021	USD	EURO	GBP	ZAR
Bank balances	2,158	80	21	1
Related party receivables	462	217	3	-
Trade payables	(219)	(62)	(13)	-
Related party payables	(9,672)	(499)	(39)	(1,048)
	-----	-----	-----	-----
Net exposure	(7,271)	(264)	(28)	(1,047)
	=====	=====	=====	=====

Financial Statements

Financial risk management (Continued)

The following significant exchange rates applied during the year.

Cedis	Average Rate	2021	Reporting Rate	2021
	2022		2022	
USD 1	8.41	5.90	10.20	6.15
EUR 1	8.84	7.01	10.87	6.97
GBP 1	10.39	8.14	12.30	8.31
ZAR 1	0.52	0.40	0.60	0.39

Sensitivity analysis on currency risks

The following table shows the effect of a strengthening or weakening of GH¢ against all other currencies on the Group and Company's profit or loss and equity. This sensitivity analysis indicates the potential impact on profit or loss and equity based on the foreign currency exposures recorded at 31 December (see "foreign currency risk") and it does not represent actual or future gains or losses. The sensitivity analysis is based on the percentage difference between the closing exchange rate and the average exchange rate per currency recorded in the course of the respective financial year.

A strengthening/weakening of the GH¢, by the rates shown in the table, against the following currencies at 31 December would have increased/decreased equity and profit or loss by the amounts shown below.

This analysis assumes that all other variables, in particular interest rates, remain constant.

Impact before tax for Group/Company

As of 31 December,

Currency	% Change	2022		% Change	2021	
		Profit or loss/equity impact: Strengthening GH¢'000	Profit or loss/equity impact: weakening GH¢'000		Profit or loss/equity impact: Strengthening GH¢'000	Profit or loss/equity impact: weakening GH¢'000
USD	±21.2	4,388	(4,388)	±4.2	1,872	(1,872)
EUR	±13.9	(636)	636	±0.6	11	(11)
GBP	±18.4	145	(145)	±2.1	5	(5)
ZAR	±16.4	172	(172)	±2.5	10	(10)

As of 31 December,

Currency	% Change	2022		% Change	2021	
		Equity, net of tax impact: Strengthening GH¢'000	Equity, net of tax impact: weakening GH¢'000		Equity, net of tax impact: Strengthening GH¢'000	Equity, net of tax impact: weakening GH¢'000
USD	±21.2	3,291	(3,291)	±4.2	1,404	(1,404)
EUR	±13.9	(477)	477	±0.6	8	(8)
GBP	±18.4	109	(109)	±2.1	4	(4)
ZAR	±16.4	129	(129)	±2.5	8	(8)

(ii) Interest rate risk

At the reporting date, the profile of the Group and Company's interest-bearing financial instruments comprised

Financial Statements

Financial risk management (Continued)

the following financial instruments:

Carrying amounts

Fixed rate instruments

Lease liabilities (Note 17aiv)

Variable rate instruments

Bank overdraft (Note 22)

2021 GH¢'000	2020 GH¢'000
10,528 =====	176 =====
99,646 =====	52,055 =====

Sensitivity analysis for variable rate instrument on Group/Company

A 200 basis points increase in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables in particular foreign currency rates remain constant. The analysis is performed on the same basis for 2021.

As of 31 December

	2022 Income statement impact Equity			2021 Income statement impact Equity		
	% Change	GH¢'000	GH¢'000	% Change	GH¢'000	GH¢'000
Bank overdraft	±2	(1,597)	1,597	±2	(399)	399

Fair value sensitivity analysis for fixed rate instrument

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

A change of 200 basis points in interest rates would have had no impact on equity (2021: GH¢ Nil). This analysis assumes that all other variables remain constant.

b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from trade and other receivables.

Exposure to credit risks

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Trade and other receivables (Note 20)	33,747	24,539	33,707	24,515
Related party receivables (Note 28ci)	9,901	56,199	9,891	56,189
Bank balances (Note 22)	42,504	26,363	40,326	24,045
	-----	-----	-----	-----
	86,152	107,101	83,924	104,749
	=====	=====	=====	=====

Financial Statements

Notes to the financial statements (Continued)

(i) Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The credit controller assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set by the Board and the utilisation of credit limits is regularly monitored. The Group's maximum exposure to credit risk at 31 December 2022 and 2021 is the same as the trade and other receivables in the statement of financial position.

There is no off-balance sheet credit risk exposure.

No collateral is held for any of the assets below. The Group does not grade the credit quality of receivables. All receivables that are neither past due nor impaired are within their approved credit limits.

Expected credit loss assessment

The Group applies the IFRS 9 simplified approach to measuring expected credit losses (ECLs) for trade and other receivables at an amount equal to lifetime ECLs. The ECLs on trade and other receivables are calculated based on actual credit loss experience over the preceding five years on the total balance of non-credit impaired trade and other receivables. The Group's credit loss experience has shown that aging of receivable balances is primarily due to negotiations about variable consideration.

The following table provides information about the exposure to credit risk and ECLs for trade and other receivables from individual customers as at 31 December 2022.

The movement in the allowance for impairment was as follows:

	2022				2021			
	Weighted average GH¢'000	Gross GH¢'000	Loss allowance GH¢'000	Net GH¢'000	Weighted average GH¢'000	Gross GH¢'000	Loss allowance GH¢'000	Net GH¢'000
Neither past due nor impaired	0 - 5%	11,273	(56)	11,217	0 - 5%	15,032	75	14,957
1 to 3 months past due	6 - 15%	133	(14)	119	6 - 15%	1,208	60	1,148
3-6 months past due	16 - 50%	-	-	-	16 - 50%	83	13	70
6-12 months past due	51 - 65%	30	(11)	19	51 - 65%	76	31	45
Past due above 1 year	75% - 100%	10,093	(10,093)	-	75% - 100%	11,606	11,606	-
		21,529	(10,174)	11,355		28,005	11,785	16,220

The movement in the allowance for impairment was as follows:

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Balance at 1 January	11,786	14,660	11,786	14,660
Impairment credit recognised in profit/loss	(1,612)	(2,874)	(1,612)	(2,874)
Balance at 31 December	10,174	11,786	10,174	11,786

In 2022, no customer balances were written off (2021: GH¢1.03million).

(ii) Cash and cash equivalents

The bank balances are held with credit worthy banks regulated by the Bank of Ghana.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short-term maturities of the exposures. The Group considers that its cash and cash equivalents do not have

Financial Statements

Notes to the financial statements (Continued)

a significant credit risk in 2022 (2021: Nil).

(iii) Related party receivables

The Group's exposure to credit risk in respect of the amounts due from related parties is minimised. The Group has transacted business with related parties over the years and there has been no defaults in payment of outstanding debts. No impairment has been recognised with respect to amounts due from related parties in the current year (2021: Nil).

c. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligation associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group manages liquidity risk by maintaining adequate cash reserves and falling on short term borrowing. Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the finance department maintains flexibility in funding by maintaining availability under committed credit lines.

The Group however reported a net current liability position. Measures put in place to mitigate this position are disclosed in note 38.

Management monitors rolling forecasts of the Group's liquidity reserve on the basis of expected cash flow.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant. Since discounting is not applied to any of these disclosed amounts, the amounts per the table can be reconciled to the amounts disclosed in the statement of financial position.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Group	Contractual cashflows				
	Carrying amount GH¢'000	Total GH¢'000	6mths or less GH¢'000	612mths GH¢'000	Above GH¢'000
2022					
Trade and other payables (Note 27)	84,594	84,594	84,594	-	-
Related party payables (Note 28bii)	127,578	127,578	127,578	-	-
Dividend payable (Note 29)	22,417	22,417	22,417	-	-
Bank overdraft (Note 22)	99,646	99,646	99,646	-	-
Lease liabilities (Note 17 iv)	10,528	14,859	830	4,440	9,589
Net exposure	344,763	349,094	335,065	4,440	9,589
	=====	=====	=====	=====	=====
2021					
Trade and other payables (Note 27)	92,140	92,140	92,140	-	-
Related party payables (Note 28bii)	166,804	166,804	166,804	-	-
Dividend payable (Note 29)	22,417	22,417	22,417	-	-
Bank overdraft (Note 22)	52,055	52,055	52,055	-	-
Lease liabilities (Note 17 iv)	176	187	187	-	-
Net exposure	333,592	333,603	333,603	-	-
	=====	=====	=====	=====	=====

Financial Statements

Notes to the financial statements (Continued)

c. Liquidity risk (cont'd)

Company	Carrying amount GH¢'000	Total GH¢'000	6mths or less GH¢'000	612mths GH¢'000	Above GH¢'000
2022					
Trade and other payables (Note 27)	84,362	84,362	84,362	-	-
Related party payables (Note 28)	127,584	127,584	127,584	-	-
Dividend payable (Note 29)	22,284	22,284	22,284	-	-
Bank overdraft (Note 22)	99,646	99,646	99,646	-	-
Lease liabilities (Note 17 iv)	10,528	14,859	830	4,440	9,589
Net exposure	344,404	348,735	334,706	4,440	9,589
2021					
Trade and other payables (Note 27)	91,907	91,907	91,907	-	-
Related party payables (Note 28)	166,810	166,810	166,810	-	-
Dividend payable (Note 29)	22,284	22,284	22,284	-	-
Bank overdraft (Note 22)	52,055	52,055	52,055	-	-
Lease liabilities (Note 17 iv)	176	187	187	-	-
Net exposure	333,232	333,243	333,243	-	-

d. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may limit the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total liabilities less cash and bank balances. The Group's adjusted net debts to equity at 31 December were as follows:

	Group		Company	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Total liabilities	358,936	345,767	358,577	345,407
Less: cash and bank balances (Note 22)	(42,504)	(26,363)	(40,326)	(24,045)
Net debt	316,432	319,404	318,251	321,362
Total equity	52,818	36,774	50,970	35,170
Net debt to adjusted equity ratio	5.99	8.68	6.24	9.14

There was no change to management's approach to capital management during the year. There are no externally imposed capital requirements.

37. Segment Information of Group

Management has determined the operating segments based on the reports reviewed by the Executive Directors that are used to make strategic decisions. The Executive Directors consider the business from a product perspective. The accounting policies of the operating segments are the same. The Group accounts for inter-segment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

Financial Statements

Notes to the financial statements (Continued)

The Executive Directors assess the performance of the operating segments based on a measure of underlying operating profit (UOP). The Group's reporting segments are based on products, namely Nutrition & Homecare, Home Care and Personal Care. The Home Care division comprises the Laundry and Household care categories. The Personal Care division has the Skin Cleansing, Skin Care, Oral and Deodorant categories.

Costs relating to segments have been allocated on the following basis: Costs such as capital are directly charged to products whenever this can be done. For instance, finished goods stock information is normally available by product.

A simple allocation rule is used in allocating costs which cannot be directly charged to product categories.

The segment information provided to the Executive Directors for the reportable segments for the year ended 31 December 2022 and 2021 are as follows:

Analysis by product divisions

Group	Beauty & Personal Care		Home Care		Personal Care		Total	
	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000	2022 GH¢'000	2021 GH¢'000
Gross Sales Value (GSV)	517,596	434,389	162,284	136,100	19,082	16,003	698,962	586,492
Trade Terms Structure (TTS)	(49,983)	(44,128)	(15,660)	(13,826)	(1,842)	(1,626)	(67,485)	(59,580)
Turnover	467,613	390,261	146,624	122,274	17,240	14,377	631,477	526,912
Supply chain costs	(363,226)	(330,769)	(113,978)	(103,634)	(13,402)	(12,186)	(490,606)	(446,589)
Gross profit	104,387	59,492	32,646	18,640	3,838	2,191	140,871	(80,323)
Brand and marketing investment	(29,712)	(33,042)	(9,309)	(10,353)	(1,095)	(1,217)	(40,116)	(44,612)
Profit before indirect expenses	74,675	26,450	23,337	8,287	2,743	974	100,755	35,711
Local overheads	-	-	-	-	-	-	(70,752)	(79,564)
Other trading income	-	-	-	-	-	-	12,457	9,134
Underlying operating profit (UOP)	-	-	-	-	-	-	42,460	(34,719)
Restructuring costs	-	-	-	-	-	-	(11,627)	(607)
Impairment	-	-	-	-	-	-	1,612	2,874
Gain on disposal of tea business	-	-	-	-	-	-	-	35,201
Core operating profit (COP)	-	-	-	-	-	-	-	2,749
Finance income	-	-	-	-	-	-	1,088	574
Finance costs	-	-	-	-	-	-	(18,453)	(2,922)
Profit before tax	-	-	-	-	-	-	15,080	401
Income tax expense	-	-	-	-	-	-	-	51
Profit after tax	-	-	-	-	-	-	15,080	350
Property, plant & equipment	99,063	12,627	31,037	35,825	3,650	87,099	133,750	135,551

Financial Statements

Notes to the financial statements (Continued)

Reconciliation of information on reportable segment

Asset

	2022 GH¢'000	2021 GH¢'000
Consolidated property, plant and equipment	133,750	131,166
Unallocated amounts	278,004	251,375
	-----	-----
Total assets for reportable entities	411,754	382,541
	=====	=====

Geographical information

Revenue

Northern Ghana	37,172	31,223
Southeastern Ghana	106,339	55,078
Southwestern Ghana	93,321	61,884
Mid Ghana	169,572	143,614
Accra	179,070	203,897
Modern Trade	45,178	27,726
Outside Ghana	825	3,490
	-----	-----
	631,477	526,912
	=====	=====

Non-current asset

Property, plant and equipment	133,750	131,166
Right-of-use asset	22,761	10,255
Unallocated amounts	24,170	24,492
	-----	-----
	180,681	165,913
	=====	=====

38. Going Concern Consideration

The Group's current liabilities exceeded its current assets by GH¢115 million (2021: GH¢ 125 million). In addition, the Group had negative net cash and cash equivalents of GH¢57 million (2021: GH¢ 26 million). A substantial part of the Company's current liabilities is due to its related parties. Unilever PLC, the ultimate parent company of Unilever Ghana PLC on behalf of itself, Unilever Overseas Holdings Limited and UAC International Limited have confirmed in a letter to the Company that they will not demand repayment of balances due to them in the amount of GH¢87.95million for one year from the date of signing the financial statements for the year ended 31 December 2022.

The Group has prepared a forecast for the next twelve (12) months which shows the Group will have sufficient operating cashflows to finance future operations and will continue to remain profitable.

The Group also has overdraft arrangements which have not been fully utilised with some of its bankers to support its operational activities. Details on overdrafts are disclosed in Note 22.

Based on above information, the Directors expect the Group to continue as a going concern in the foreseeable future.

Accordingly, the financial statements have been prepared on the basis of the accounting policies applicable to that of a going concern. This basis assumes that cash flows arising from the normal course of business will be

Analysis of Shareholding

available to finance future operations of the Group and the realisation of assets and the settlement of liabilities would occur in the normal course of business.

39. Events After the Reporting Period

Events subsequent to the reporting date are reflected in the financial statements only to the extent that they relate to the year under consideration and the effect is material. The Group or Company had no material subsequent events that required adjustments to or disclosure in the financial statements.

The Company had 11,570 ordinary shareholders at 31 December 2022 with equal voting rights distributed as follows:

Holding 2022	No. of holders	Holders %	No. of shares	% of holdings
1 – 1,000	10,514	90	2,877,746	5
1,001 – 5,000	930	8	1,976,939	3
5,001 – 10,000	89	1	648,601	1
10,001 and over	73	1	56,996,714	91
	-----	-----	-----	-----
	11,606	100	62,500,000	100
	=====	=====	=====	=====

Holding 2021	No. of holders	Holders %	No. of shares	% of holdings
1 – 1,000	10,474	4.60	2,878,071	5
1,001 – 5,000	932	3.17	1,983,145	3
5,001 – 10,000	90	1.05	653,951	1
10,001 and over	74	91.18	56,984,833	91
	11,570	100	62,500,000	100

Directors' Shareholding

None of the Directors held shares in the Group at 31 December 2022.

20 Largest Shareholders at 31 December 2022

	No. of shares	% of holdings
UNILEVER OVERSEAS HOLDINGS LIMITED	31,562,545	50.50
UAC INTERNATIONAL LIMITED	14,999,955	24.00
KROHNE FUND LP	4,091,465	6.55
SOCIAL SECURITY & NATIONAL INS.TRUST	3,315,872	5.31
STAHL CHRISTOPH MICHAEL ROBERT	625,000	1.00
SCGN/ENTERPRISE LIFE ASSO.CO.	438,330	0.70
SCBN/SSB EATON VANCE TAX-MANAGED	249,000	0.40
HFCN/EDC GHANA BALANCED FUND LIMITED	112,695	0.18
SCGB/SSB &T AS CUS FOR BMO LLOYD	90,900	0.15
RAINBOW FUND L.P	72,600	0.12
SCGN/SCBM RE STANDARD CHARTERED BAN	68,841	0.1
CM FUND LIMITED	50,000	0.08
JAY KAY INDUSTRIES AND INVESTMENTS	50,000	0.07
STD BANK NOMS (TVL) PTY	50,000	0.07
SCBN/UNILEVER GHANA MANAGERS'	46,200	0.07
MR. AMOAKOH DIAMOND CASTRO H.	44,700	0.07
SCGN/ELAC SHAREHOLDERS FUND	41,800	0.06
ESTATE OF REXFORD KWASI ADU	39,175	0.06
MIHL/GOLD FUND UNIT TRUST	38,404	0.06
SCBN/UNILEVER GHANA PROVIDENT FUND	38,000	0.06
Reported totals	56,025,482	89.61
	=====	=====

Five-Year Financial Summary of The Company

Financial Position as at 31 December

	2018 GH¢'000	2019 GH¢'000	2020 GH¢'000	2021 GH¢'000	2022 GH¢'000
Employment of funds					
Property, plant and equipment	144,194	138,983	135,551	131,166	133,750
Right-of-use asset	-	13,422	11,468	10,255	22,761
Investment in subsidiaries	10	10	10	10	10
Deferred tax asset	-	47,447	24,539	24,481	24,159
Current assets	582,286	289,317	164,154	214,665	228,867
	-----	-----	-----	-----	-----
Total Assets	726,490	489,179	335,722	380,577	409,547
	=====	=====	=====	=====	=====
Employment of Funds					
Total equity	295,141	84,952	34,799	35,170	50,970
Deferred income tax	8,842	-	-	-	-
Employee benefit obligation	4,113	3,736	3,422	4,236	6,193
Long term lease liability	-	1,116	166	-	6,978
Current liabilities	418,394	399,375	297,334	341,171	345,406
	-----	-----	-----	-----	-----
Total liabilities and total equity	726,490	489,179	335,721	380,577	409,547
	=====	=====	=====	=====	=====
Capital expenditure	60,914	23,878	8,883	17,587	16,035
Depreciation and amortisation	9,533	8,574	11,425	12,119	12,854
Revenue	632,152	333,290	456,279	558,794	631,477
Profit/(loss) after tax	190,825	(160,316)	(50,389)	196	14,836
Final dividend declared	(50,000)	-	-	-	-
	-----	-----	-----	-----	-----
Profit/(loss) retained in the year	140,825	(160,316)	(50,389)	196	14,836
	=====	=====	=====	=====	=====



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ADMISSION FORM

No.

ANNUAL GENERAL MEETING to be held at the
Ghana College of Physicians and Surgeons, Accra
at 10.00 a.m. on Tuesday, 23 May 2023

Name of Shareholder

.....

Address/Email

Contact Tel No:

No.of.Shares

.....

Signature of Person attending (Proxy).....

IMPORTANT This admission form must be produced by the Shareholder or his proxy.

UNILEVER GHANA PLC

No.

Name of Shareholder

.....

No.of.Shares

.....

Proxy Form

Serial No.

49th Annual General Meeting To Be Held at 10.00 a.m. on Tuesday, 23rd May, 2023 at The Ghana College of Physicians and Surgeons, Accra at 10:00am for the following purposes:	For Company's Use	No. of Shares		
I/We (Insert full name)	RESOLUTION	FOR	AGAINST	ABSTAIN
	To re-elect Mr. Edward Effah as a Director			
of (Insert full address)	To re-elect Mr. Michael Otchere Duah			
being a member(s) of Unilever Ghana PLC, hereby appoint	To re-elect Mr. Philip O. Sowah as a Director			
..... (insert full name)	To approve Directors' Fees			
	To authorise the Directors to fix the Remuneration of the Auditors.			
Please indicate with an "X" in the appropriate square how you wish your votes to be cast on the resolution referred to above. Unless otherwise instructed the proxy will vote or abstain from voting at his discretion.				
Dated thisday of May, 2023.				

Shareholder's signature: (before posting the above form, please tear off this part and retain it)

THIS PROXY FORM SHOULD NOT BE COMPLETED AND SENT TO THE REGISTRARS IF THE MEMBER WILL BE ATTENDING THE MEETING

NOTES

- (1) In the case of joint holders, each should sign.
- (2) If executed by a Corporation, the Proxy Form should bear its Common Seal or be signed on its behalf by a Director.
- (3) Please sign the above Proxy Form and send via email to registrar.services@myumbbank.com or deposit it at the Registered Office of the Registrars of the Company, Universal Merchant Bank Limited, not less than 48 hours before the Meeting.



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