



Unilever Nigeria Plc
Unaudited Interim Financial Statements
For the Nine Months ended 30 September 2022

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

	Note	30 September 2022 N'000	30 September 2021 N'000
Revenue	7	20,962,074	17,252,540
Cost of sales		(17,981,095)	(11,672,892)
Gross profit		2,980,979	5,579,649
Selling and distribution expenses		(1,185,493)	(810,708)
Marketing and administrative expenses		(4,433,043)	(4,218,787)
Impairment loss on trade and intercompany receivables		2,056	(205,426)
Other income		28,300	
Operating (Loss)/ profit		(2,607,201)	344,728
Finance income		430,404	60,681
Finance costs		(328,891)	
Net finance income		101,513	60,681
(Loss)/ profit before minimum taxation		(2,505,688)	405,409
Minimum tax expense		-	(99,165)
(Loss)/ profit before taxation		(2,505,688)	306,244
Taxation		251,017	(37,511)
(Loss)/ profit from continuing operations		(2,254,671)	268,732
Discontinued operations			
Profit from discontinued operations		-	99,243
(Loss)/ profit for the period		(2,254,671)	367,975
Attributable to:			
equity holders		(2,254,671)	367,975
Earnings per share for profit attributable to equity holders:			
Basic and diluted earnings per share (Naira)		(0.39)	0.06

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

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

		30 September 2022 N'000	30 September 2021 N'000
Revenue	7	64,768,547	49,673,538
Cost of sales		<u>(47,586,618)</u>	<u>(35,877,241)</u>
Gross profit		17,181,929	13,796,297
Selling and distribution expenses		(3,470,109)	(2,287,699)
Marketing and administrative expenses	8	(13,317,158)	(10,932,047)
Impairment loss on trade receivables		54,079	(205,661)
Other income	9	<u>94,959</u>	<u>-</u>
Operating profit		543,700	370,890
Finance income	10	886,911	665,877
Finance costs	11	<u>(957,491)</u>	<u>-</u>
Net finance costs		(70,580)	665,877
Profit before minimum taxation		473,120	1,036,767
Minimum tax expense		<u>-</u>	<u>(296,404)</u>
Profit before taxation		473,120	740,363
Taxation	12	<u>(821,128)</u>	<u>(34,248)</u>
		(348,008)	706,115
(Loss)/ profit from continuing operations			
Discontinued operations			
Profit from discontinued operations	22	<u>-</u>	<u>376,640</u>
(Loss)/ profit for the period		<u>(348,008)</u>	<u>1,082,755</u>
Attributable to:			
Equity holders		<u>(348,008)</u>	<u>1,082,755</u>
Earnings per share for profit attributable to equity holders:			
Basic and diluted earnings per share (Naira)		<u>(0.06)</u>	<u>0.19</u>

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

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

	30 September 2022	30 September 2021
	N'000	N'000
Other comprehensive income	-	-
(Loss)/ profit for the period	<u>(2,254,671)</u>	<u>367,975</u>
Total comprehensive income	<u><u>(2,254,671)</u></u>	<u><u>367,975</u></u>
Attributable to:		
Equity holders	<u>(2,254,671)</u>	<u>367,975</u>

For nine months ended

	30 September 2022	30 September 2021
	N'000	N'000
Other comprehensive income	-	-
(Loss)/ profit for the period	<u>(348,008)</u>	<u>1,082,755</u>
Total comprehensive income	<u><u>(348,008)</u></u>	<u><u>1,082,755</u></u>
Attributable to:		
Equity holders	<u>(348,008)</u>	<u>1,082,755</u>

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

Statement of Financial Position As at 30 September 2022

		30 September 2022	31 December 2021
	Note	N'000	N'000
Assets			
Non-current assets			
Property, plant and equipment	13	21,525,192	22,376,286
Intangible assets		3,176	3,467
		<u>21,528,368</u>	<u>22,379,753</u>
Current assets			
Inventories	14	17,972,993	14,956,332
Trade and other receivables	15	21,358,674	14,992,655
Cash and bank balances	16	61,546,988	55,697,537
Assets held for sale		-	262,258
		<u>100,878,655</u>	<u>85,908,782</u>
Total assets		<u><u>122,407,023</u></u>	<u><u>108,288,535</u></u>
Liabilities			
Current liabilities			
Trade and other payables	17	56,456,992	39,739,074
Income tax		1,453,850	478,615
		<u>57,910,842</u>	<u>40,217,689</u>
Non-current liabilities			
Deferred tax liabilities		612,294	1,063,404
Unfunded retirement benefit	18	480,168	454,713
Retirement benefit obligations	18	461,737	421,291
Long service award obligations	18	400,825	369,770
		<u>1,955,024</u>	<u>2,309,178</u>
Total liabilities		<u><u>59,865,866</u></u>	<u><u>42,526,867</u></u>

Statement of Financial Position (continued)

As at 30 September 2022

	Note	30 September 2022	31 December 2021
		N'000	N'000
Equity			
Ordinary share capital	21	2,872,503	2,872,503
Share premium	21	56,812,810	56,812,810
Retained earnings		2,855,844	6,076,355
Total equity		<u>62,541,157</u>	<u>65,761,668</u>
Total equity and liabilities		<u><u>122,407,023</u></u>	<u><u>108,288,535</u></u>

The financial statements were approved for issue by the Board of Directors on 20 October 2022 and signed on its behalf by:




His Majesty N.A. Achebe CFR, MNI
Chairman

FRC/2013/NIM/00000001568



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

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Folake Ogundipe
National Finance Director

FRC/2019/ICAN/00000019604

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

Statement of Changes in Equity For nine months ended

	Share capital N'ooo	Share premium N'ooo	Retained earnings N'ooo	Total N'ooo
Balance at 1 January 2021	2,872,503	56,812,810	2,443,807	62,129,120
Total comprehensive income for				
(Loss)/ profit for the period	-	-	1,082,755	1,082,755
Other comprehensive income				
Remeasurement on post employment benefit obligations, net of tax	-	-	536,998	536,998
	-	-	1,619,753	1,619,753
Balance at 30 September 2021	<u>2,872,503</u>	<u>56,812,810</u>	<u>4,063,560</u>	<u>63,748,873</u>
Balance at 1 January 2022	2,872,503	56,812,810	6,076,355	65,761,668
Total comprehensive income for the period				
Profit for the period	-	-	(348,008)	(348,008)
Other comprehensive income				
Remeasurement on post employment benefit obligations, net of tax	-	-	-	-
	-	-	(348,008)	(348,008)
Transactions with owners				
Dividend declared	-	-	(2,872,503)	(2,872,503)
	-	-	(2,872,503)	(2,872,503)
Balance at 30 September 2022	<u>2,872,503</u>	<u>56,812,810</u>	<u>2,855,844</u>	<u>62,541,157</u>

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

Statement of Cash Flows For nine months ended

	Note	30 September 2022 N'000	30 September 2021 N'000
Cash flows from operating activities			
Cash generated from operations	19	6,496,436	12,096,060
Retirement benefits paid		(208,331)	(209,492)
Long service award obligations paid		(31,313)	(29,280)
Tax paid		(297,003)	(99,501)
Net cash flow generated from operating activities		<u>5,959,788</u>	<u>11,757,786</u>
Cash flows from investing activities			
Interest received	10	886,911	550,746
Purchase of property, plant and equipment	13	(759,688)	(822,691)
Proceeds from sale of assets held for sale		387,000	-
Proceeds from sale of property, plant and equipment		7,487	53,984
Net cash flows/ (used) in investing activities		<u>521,710</u>	<u>(217,961)</u>
Cash flows from financing activities			
Interest payment		(113,603)	-
Dividend paid		(518,445)	-
Net cash used in financing activities		<u>(632,048)</u>	<u>-</u>
Net increase in cash and cash equivalents		5,849,451	11,539,825
Cash and cash equivalents at the beginning of the period		<u>55,697,537</u>	<u>37,100,827</u>
Cash and cash equivalents at the end of the period	16	<u><u>61,546,988</u></u>	<u><u>48,640,652</u></u>

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

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1. General information

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

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

2. Dealings in Unilever Nigeria Plc. Shares

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

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

3. Basis of preparation

These interim financial statements for the the period ended 31 June 2022 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2021, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

4. Significant accounting policies

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

5. Estimates

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

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2021.

6. Financial risk management

Financial risk factors

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

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

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Company's annual financial statements as at 31 December 2021. There have been no changes in the risk management structure since year end or in any risk management policy.

6.1. Financial risk factors

(a) Market risk

(i) Currency risk - Transactions in foreign currency

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

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

(ii) Cash flow and fair value interest rate risk

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

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

(b) Credit risk

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

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

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

(c) Liquidity risk

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

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

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

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

At the reporting date, Unilever held cash in bank was N61.5 billion (31 December 2021: N55.7 billion).

7. Segment reporting

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

Foods – including sale of nutrition.

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

There are no intersegmental sales and Nigeria is the company's primary geographical segment as it comprises 99% of the company's sales.

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

	Food Products	Home & Personal Care	Total
3 months ended 30 September 2022	N'000	N'000	N'000
Revenue	10,789,512	10,172,561	20,962,073
Depreciation and amortisation	(308,814)	(290,775)	(599,589)
Segmental operating profit	(1,171,948)	(1,435,253)	(2,607,201)
Finance income	212,778	217,626	430,404
Finance cost	(168,125)	(160,766)	(328,891)
Profit before taxation			<u>(2,505,688)</u>
3 months ended 30 September 2021	N'000	N'000	N'000
Revenue	7,175,839	10,076,701	17,252,541
Depreciation and amortisation	(319,246)	(338,780)	(658,026)
Segmental operating profit	122,618	130,121	252,740
Finance income	64,539	68,489	133,028
Profit before taxation			<u>306,244</u>
9 months ended 30 September 2022	N'000	N'000	N'000
Revenue	30,661,328	34,107,219	64,768,547
Depreciation and amortisation	(881,708)	(980,800)	(1,862,508)
Segmental operating profit	257,387	286,313	543,700
Finance income	419,862	467,049	886,911
Finance cost	(453,275)	(504,216)	(957,491)
Profit before taxation			<u>473,120</u>

9 months ended 30**September 2021**

	N'000	N'000	N'000
Revenue	21,418,073	28,255,465	49,673,538
Depreciation and amortisation	(1,104,640)	(1,024,447)	(2,129,087)
Segmental operating profit	350,308	324,876	675,184
Finance income	383,015	355,209	738,224
Profit before taxation			<u>740,363</u>

Turnover over by geographical location

	Domestic (within Nigeria) N'000	Export (outside Nigeria) N'000	Total N'000
3 months ended 30 September 2022	20,676,864	285,209	20,962,073
3 months ended 30 September 2021	<u>17,137,167</u>	<u>115,373</u>	<u>17,252,541</u>
9 months ended 30 September 2022	<u>63,776,464</u>	<u>992,083</u>	<u>64,768,547</u>
9 months ended 30 September 2021	<u>49,355,669</u>	<u>317,869</u>	<u>49,673,538</u>

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

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

8. Marketing and administrative expenses

	2022 N'000	2021 N'000
Brand and marketing	4,588,940	4,096,709
Overheads	7,118,651	5,646,385
Service Fees	<u>1,609,567</u>	<u>1,188,952</u>
	<u>13,317,158</u>	<u>10,932,047</u>

9. Other income

	2022 N'000	2021 N'000
Transitional Service Agreement income (9(i))	<u>94,959</u>	-
	<u>94,959</u>	-

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

10. Finance income

	2022	2021
	N'000	N'000
Interest on call deposits and bank accounts	886,911	478,399
Exchange difference on bank accounts	-	36,458
Interest on Employee benefit **	-	56,398
Unwinding of lease liability	-	94,622
	<u>886,911</u>	<u>665,877</u>

** Interest on employee benefit includes actuarial gain of N144.9 million on Long Service Awards.

11. Finance cost

	2022	2021
	N'000	N'000
Interest on third party bank loans	364,744	-
Exchange difference on bank accounts	479,144	-
Employee benefit charge	<u>113,603</u>	<u>45,465</u>
	<u>957,491</u>	<u>45,465</u>

12. Taxation

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

13. Property, plant and equipment (PPE)

	Capital work-in- progress N'ooo	Lease hold land N'ooo	Buildings N'ooo	Plant and machinery N'ooo	Furniture and equipment N'ooo	Motor vehicles N'ooo	Total N'ooo
Cost							
1 January 2021	950,819	433,640	12,763,789	33,215,018	1,995,587	1,288,964	50,647,817
Additions	1,622,462	-	-	-	-	-	1,622,462
Disposals	-	-	-113,448	-6,719,278	-145,485	-339,229	-7,317,440
Transfers	-1,617,641	-	107,105	919,218	37,263	554,055	-
Transfer between classes				366,953	-366,953		-
Write-offs				-181,972	-83,211		-265,183
At 31 December 2021	955,640	433,640	12,757,446	27,599,939	1,437,201	1,503,790	44,687,656
Additions	759,688	-	-	-	-	-	759,688
Disposals		-	-36,298	-745,276	-14,148	-103,554	-899,276
Transfers	-676,545	-	231,593	378,309	26,310	40,334	-
At 30 September 2022	1,038,782	433,640	12,952,742	27,232,972	1,449,363	1,440,570	44,548,068
Depreciation / impairment							
1 January 2021	-	3,190	2,758,067	18,650,036	888,691	977,230	23,277,214
Depreciation charge for the year	-	-	1,104,373	1,784,833	430,099	216,080	3,535,385
Disposals	-	-	-53,225	-2,507,524	-136,657	-338,857	-3,036,263
Transfer between classes	-	-	-	65,051	-65,051		-
Write-offs	-	-	-	-1,382,941	-82,025		-1,464,966
Depreciation charge for the period	-	3,190	3,809,215	16,609,455	1,035,057	854,453	22,311,370
On disposals	-	-	-35,807	-992,230	-18,879	-103,794	-1,150,710
At 30 September 2022	-	6,535	4,049,511	16,862,230	1,158,526	946,075	23,022,877
Net book value:							
At 1 January 2021	950,819	430,450	10,005,721	14,564,981	1,106,896	311,734	27,370,602
At 31 December 2021	955,640	430,450	8,948,231	10,990,484	402,143	649,338	22,376,286
At 30 September 2022	1,038,782	427,105	8,903,230	10,370,742	290,837	494,495	21,525,192

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

14. Inventories

	30 September 2022 N'000	31 December 2021 N'000
Raw and packaging materials	12,007,661	10,189,180
Work in progress	663,721	343,519
Goods in transit	-	969,957
Finished goods	3,930,713	2,180,366
Engineering spares and other inventories	1,143,017	1,045,428
Right to recover returned goods	227,881	227,881
	<u>17,972,993</u>	<u>14,956,331</u>

15. Trade and other receivables

	30 September 2022 N'000	31 December 2021 N'000
Trade receivables: gross	5,023,283	5,769,679
Less: rebate accruals	(762,328)	-1,019,156
Less impairment	<u>(1,206,465)</u>	<u>-1,284,069</u>
Trade receivables: net	3,054,490	3,466,454
Advances and prepayments	10,872,838	1,733,074
Cash with registrar	356,588	356,588
Interest receivable	105,604	67,585
Other receivables	5,906,843	259,018
Due from related parties (Note 20(iii))	725,002	8,964,067
Deposit for imports	<u>337,309</u>	<u>145,869</u>
	<u>21,358,674</u>	<u>14,992,655</u>

Advances and prepayments include insurance premium and advances to vendors.

16. Cash and cash equivalents

	30 September 2022 N'000	31 December 2021 N'000
Cash at bank and in hand	23,419,100	40,629,495
Fixed deposit	38,127,888	15,068,042
Cash and bank balances	<u>61,546,988</u>	<u>55,697,537</u>

17. Trade and other payables

	30 September 2022 N'000	31 December 2021 N'000
Trade payables	20,931,032	11,205,275
Trade finance facility (Note 17(ii))	8,672,828	7,094,621
Amount due to related companies (Note 20(iii))	7,009,578	5,515,920
Dividend payable (Note 17(i))	8,767,299	6,413,241
Accrued liabilities	5,936,803	4,118,568
Accrued brand and marketing expenses	1,421,523	1,620,077

Accrued shipping and freight charges	1,483,207	1,719,901
Other payables	54,532	94,738
	54,276,802	37,782,341

17. Trade and other payables (continued)*Other non-financial payables:*

Refund liabilities	292,378	292,378
Minimum tax payables	-	222,206
Statutory deductions	1,490,898	1,264,616
Non trade payables	396,914	177,533
	2,180,190	1,956,733
Total trade and other payables	56,456,992	39,739,074

**30 September
2022
N'000**

**31 December
2021
N'000**

(i) Dividend payable

As at 1 January	6,413,241	6,468,905
Dividend declared	2,872,503	-
Dividend paid	-518,445	-55,664
As at period/ year end	8,767,299	6,413,241

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

The balance due to the banks for payments made as at period end amounted to N8.6 billion (31 December 2021: N7.1 billion).

18. Retirement benefit obligations

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

	30 September 2022 N'000	31 December 2021 N'000
Present value of funded retirement benefit obligations	(1,823,692)	(1,867,087)
Fair value of plan assets	1,361,955	1,445,796
Retirement benefit deficit	(461,737)	(421,291)
Present value of unfunded retirement benefit obligations	(480,168)	(454,713)
Long service award obligations	(400,825)	(369,770)
Net liability in the statement of financial position	(1,342,730)	(1,245,774)

19. Cash flows from operating activities

	30 September 2022	30 September 2021
	N'000	N'000
Profit before tax	473,120	740,363
Profit before tax - discontinued operations (Note 22 (a))	-	376,640
Adjustment for non-cash items:		
- Depreciation of property, plant and equipment	1,862,217	2,129,087
- Amortisation of intangible assets	291	290
- Loss on disposal of property, plant and equipment	(258,921)	(24,769)
- Assets held for sales	(124,742)	(97,742)
- Finance income	(886,911)	(550,746)
- Finance expense	113,603	-
- Unwinding of lease liability		(94,622)
- Net change in retirement benefit obligations	274,232	234,332
- Long service award obligations	62,369	(84,698)
Changes in working capital:		
- Increase in trade and other receivables	(6,366,019)	3,429,407
- Decrease in inventory	(3,016,661)	(1,988,814)
- Increase in trade and other payables	14,363,860	8,027,332
Cash flows generated from operating activities	<u>6,496,436</u>	<u>12,096,060</u>

20. Related party transactions**(i) Sale of finished goods to related parties**

	30 September 2022	30 September 2021
	N'000	N'000
Unilever Ghana Limited	220,360	3,412
Unilever Cote D'Ivoire	771,723	94,519
	<u>992,083</u>	<u>97,931</u>

(ii) Outstanding related party balances as at:

	30 September 2022	31 December 2021
	N'000	N'000
<i>Receivables from related parties:</i>		
Unilever Cote D'Ivoire	3,174,106	2,805,030
Unilever Ghana Limited	1,616,934	1,872,003
Unilever Tea MSO Nigeria Limited	-	8,251,230
Other related parties	37,196	139,039
Gross receivables	<u>4,828,237</u>	<u>13,067,303</u>
Less impairment	(4,103,235)	(4,103,235)
Amount due from related companies (Note 15 (i))	<u>725,002</u>	<u>8,964,068</u>

	30 September 2022 N'000	31 December 2021 N'000
<i>Payables to related parties:</i>		
Unilever UK Plc	5,730,040	4,606,027
Unilever Asia Private	75,091	189,837
Unilever Cote D'Ivoire	561,665	435,936
Unilever Ghana Limited	198,013	152,604
Other related parties	444,768	131,515
Amount due to related companies per note 17	<u>7,009,578</u>	<u>5,515,919</u>
Unilever Overseas Holding (Dividend payable)	<u>4,814,959</u>	<u>2,796,534</u>
Total amount due to related parties	<u><u>11,824,536</u></u>	<u><u>8,312,454</u></u>

21. Share capital and share premium

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

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

(a) Shareholding Pattern as at 30 September, 2022

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

Compliance with Free float Requirements

Unilever Nigeria Plc. as at 30 September, 2022 is compliant with the Free float requirement for the Main Board of the Nigerian Stock Exchange.

22. Discontinued Operations

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

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

a Results of discontinued operation	30 September 2021 N'000
<i>Income Statement</i>	
Turnover	9,049,237
Cost of sales	(6,980,511)
Gross Profit	<u>2,068,725</u>
Selling and Distribution expenses	(290,651)
Marketing and administrative expenses	(1,473,781)
Operating profit	304,293
Finance income	84,632
Finance cost	(12,285)
Profit Before tax	376,640
Taxation	-
Profit for the year from discontinued operations	<u>376,640</u>

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

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