



Unilever Caribbean Limited

# Unaudited Financial Statements

for the First Quarter ended 31 March, 2021

Expressed in Trinidad & Tobago Dollars

## CHAIRMAN'S REVIEW

Throughout the first quarter of 2021, the local and Caribbean economies have continued to be affected by the pandemic, while market conditions remained challenging. The Company has continued to improve its bottom-line performance, delivering a profit before tax for the quarter of \$12.7 million, a 92.6% increase versus prior year.

Revenue for the quarter was equal to \$70.7 million, a decrease of 13.2% compared to the first quarter of 2020. This was mostly driven by the high comparator of last year, where especially in the domestic market there was a significant rephasing in demand to March as a result of the pandemic, which affected all categories, but especially the hygiene-focused products in the Personal Care and Home Care portfolios. Nonetheless, the Beauty and Personal Care category continued to deliver strong growth in the first quarter of 2021, while especially the laundry detergents in the Home Care category remained affected by decreases in overall consumption in the current environment.

Despite the lower revenue, Operating Profit increased significantly, to \$12.2 million versus \$5.9 million in the prior year. The main factors contributing to this increase were a reduction in cost of sales as a result of the new Home Care business model, a year-on-year reduction in distribution costs as a result of the new warehousing operation, and a large one-time cost in 2020 associated with the transition to the new operating model.

The conditions are not expected to change significantly throughout the first half of 2021, so the Company will continue to prioritise its staff's health and safety, while keeping the business focused on delivering sustainable and profitable growth through its brands with purpose.

Rodrigo Sotomayor, Chairman

## SUMMARY STATEMENT OF FINANCIAL POSITION

	Unaudited as at		Audited
	31 Mar 2021	31 Mar 2020	31 Dec 2020
	\$'000	\$'000	\$'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	69,842	64,122	65,802
Retirement benefit asset	110,499	91,692	109,505
Deferred tax asset	11,827	14,568	15,156
	<b>192,168</b>	<b>170,382</b>	<b>190,463</b>
<b>Current assets</b>			
Inventories	32,503	45,005	25,757
Taxation recoverable	9,559	9,702	9,559
Trade and other receivables	102,325	114,305	81,232
Value added tax recoverable	12,032	9,793	10,605
Due from related companies	42,127	74,581	43,574
Cash at bank and in hand	70,770	19,855	75,384
	<b>269,316</b>	<b>273,241</b>	<b>246,111</b>
<b>Total assets</b>	<b>461,484</b>	<b>443,623</b>	<b>436,574</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Stated capital	26,244	26,244	26,244
Property revaluation surplus	36,568	35,643	36,568
Retained earnings	221,337	202,910	228,775
<b>Total equity</b>	<b>284,149</b>	<b>264,797</b>	<b>291,587</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Retirement and termination benefit obligation	8,741	10,330	9,362
Lease liabilities	1,176	364	-
Deferred tax liabilities	35,936	26,385	35,284
	<b>45,853</b>	<b>37,079</b>	<b>44,646</b>
<b>Current liabilities</b>			
Trade and other payables	54,732	85,658	53,922
Dividends payable to minority shareholders	7,872	-	-
Lease liabilities	3,222	7,209	136
Provisions for other liabilities	6,303	3,462	6,888
Due to related companies	51,479	45,418	39,395
Dividends payable to parent	7,874	-	-
	<b>131,482</b>	<b>141,747</b>	<b>100,341</b>
<b>Total liabilities</b>	<b>177,335</b>	<b>178,826</b>	<b>144,987</b>
<b>Total equity and liabilities</b>	<b>461,484</b>	<b>443,623</b>	<b>436,574</b>

Jean-Marc Mouttet, Managing Director

Nicholas Gomez, Director

## NOTES TO THE SUMMARY FINANCIAL STATEMENTS

**1. General Information** - Unilever Caribbean Limited is incorporated in the Republic of Trinidad and Tobago, and its registered office is located at Eastern Main Road, Champs Fleurs. The Company is listed on the Trinidad and Tobago Stock Exchange. The principal business activity is the sale of home care, personal care and food products. It is a subsidiary of Unilever Overseas Holdings AG, which is a wholly owned subsidiary of Unilever PLC, a company incorporated in the United Kingdom.

## SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Unaudited 3 months ended		Audited
	31 Mar 2021	31 Mar 2020	31 Dec 2020
	\$'000	\$'000	\$'000
<b>Revenue</b>	<b>70,707</b>	81,435	290,009
Cost of sales	(35,608)	(44,271)	(159,643)
<b>Gross profit</b>	<b>35,099</b>	37,164	130,366
Selling and distribution costs	(18,727)	(23,713)	(83,850)
Administrative expenses	(4,309)	(7,581)	(25,858)
Impairment gain on trade receivables	120	10	1,176
Gain on disposal of plant and equipment	-	-	185
<b>Operating profit</b>	<b>12,183</b>	5,880	22,019
Restructuring cost	-	-	(555)
<b>Operating profit after restructuring costs</b>	<b>12,183</b>	5,880	21,464
Finance expense	(108)	-	(239)
Other income	612	707	3,724
<b>Profit before taxation</b>	<b>12,687</b>	6,587	24,949
Taxation expense	(4,379)	(2,023)	(6,342)
<b>Profit for the period</b>	<b>8,308</b>	4,564	18,607
<b>Other comprehensive income</b>			
Re-measurements of defined benefit asset/ liability	-	-	16,889
Revaluation of property	-	-	1,322
Related tax	-	-	(5,464)
<b>Total comprehensive income for the period</b>	<b>8,308</b>	4,564	31,354
<b>Earnings per share</b>	<b>0.32</b>	0.17	0.71

## SUMMARY STATEMENT OF CASH FLOWS

	Unaudited 3 months ended		Audited
	31 Mar 2021	31 Mar 2020	31 Dec 2020
	\$'000	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation	12,687	6,587	24,949
Adjustment for items not affecting working capital	72	1,859	(1,641)
Operating profit before working capital changes	12,759	8,446	23,308
Net (increase) decrease in working capital	(18,113)	(7,942)	42,982
<b>Cash flows (used in) generated from operating activities</b>	<b>(5,354)</b>	504	66,290
Taxation & interest paid	(504)	(590)	(2,165)
<b>Net cash (used in) generated from operating activities</b>	<b>(5,858)</b>	(86)	64,125
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	-	145	153
Purchase of plant and equipment	(96)	(1,101)	(2,106)
Proceeds from sale of property, plant and equipment	2,466	-	29
<b>Net cash generated (used in) investing activities</b>	<b>2,370</b>	(956)	(1,924)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of lease liabilities	(1,126)	(2,808)	(10,522)
<b>Net cash used in financing activities</b>	<b>(1,126)</b>	(2,808)	(10,522)
<b>(Decrease) increase in cash and cash equivalents</b>	<b>(4,614)</b>	(3,850)	51,679
<b>Cash and cash equivalents at beginning of period</b>	<b>75,384</b>	23,705	23,705
<b>Cash and cash equivalents at the end of period</b>	<b>70,770</b>	19,855	75,384
<b>Represented by: Cash at bank and in hand</b>	<b>70,770</b>	19,855	75,384

## SUMMARY STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Property Revaluation Surplus	Retained Earnings	Total Equity
	\$'000	\$'000	\$'000	\$'000
<b>Balance as at 1 January, 2021</b>	26,244	36,568	228,775	291,587
Total comprehensive income for the period	-	-	8,308	8,308
Dividends payable	-	-	(15,746)	(15,746)
<b>Balance as at 31 March, 2021</b>	<b>26,244</b>	<b>36,568</b>	<b>221,337</b>	<b>284,149</b>
<b>Balance as at 1 January, 2020</b>	26,244	35,643	198,346	260,233
Total comprehensive income for the period	-	925	30,429	31,354
<b>Balance as at 31 December, 2020</b>	<b>26,244</b>	<b>36,568</b>	<b>228,775</b>	<b>291,587</b>

**2. Basis of preparation.** These summary financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB).

**3. Summary of significant accounting policies.** The principal accounting policies applied in the preparation of these summary financial statements are consistent with those disclosed in the audited financial statements as at and for the year ended 31 December, 2020, and have been consistently applied to all periods presented, unless otherwise stated.