22 September 2021

Revenue growth, improved operating profit and balance sheet discipline

- growth in adjusted EPS from continuing operations and dividend increased

PRELIMINARY RESULTS FOR THE YEAR ENDED 31 MAY 2021

PZ Cussons plc ("PZ Cussons" or the "Group") today issues the following trading update in respect of its preliminary results for the financial year ended 31 May 2021.

Adjusted measures	**Year ended 31 May 2021**	Year ended * 31 May 2020	Reported % change	Constant currency % change (1)
Revenue from continuing operations	**£603.3m**	£587.2m	+2.7%	+7.1%
Adjusted (2) operating profit from continuing operations	**£71.0m**	£65.9m	+7.7%	+7.6%
Adjusted (2) profit before tax from continuing operations	**£68.6m**	£61.8m	+11.0%	
Adjusted (2) basic EPS from continuing operations	**13.12p**	12.17p	+7.8%	
Net debt (excluding lease liabilities) (3)	**£(30.7)m**	£(49.2)m		
Statutory measures				
Operating profit from continuing operations	**£65.6m**	£22.4m	+193%	
Profit before tax from continuing operations	**£63.2m**	£18.3m	+245%	
Profit after tax from continuing operations	**£35.0m**	£8.8m	+298%	
(Loss)/profit after tax from discontinued operations	**£(51.6)m**	£10.9m	(573)%	
(Loss)/profit after tax	**£(16.6)m**	£19.7m	(184)%	
Basic (loss)/earnings per share (EPS)	**(3.97)p**	5.62p	(171)%	
Total dividend per share	**6.09p**	5.80p	+5.0%	

Operating & Financial Highlights - in the first year of our new strategy: Building brands for life. Today and for future generations

- Organic revenue (1) growth of +7.1%, with all geographic regions and our core categories of Hygiene, Baby and Beauty all in growth.
- Must Win Brands revenue (1) grew +11%, with 7 of the 8 brands in growth.
- On a two-year cumulative basis, Must Win Brands revenue (1) grew +21%. Carex revenue doubled, reflecting the increased size of the hand hygiene category in the UK and our continued market-leading position.
- Portfolio Brands revenue (1) grew +3%, driven by growth in Electricals in Nigeria, partially offset by declines in Imperial Leather and the now disposed of five:am yoghurt business.
- Gross margin increased +60bps to 39.3%, supported by price / mix improvements in each of our core categories.
- Marketing investment increased by over +40% versus the prior year, with all the increase dedicated to Must Win Brands.
- Adjusted operating margin increased +60bps to 11.8%.
- Adjusted profit before tax from continuing operations £68.6m, up +11.0% versus the prior year and ahead of consensus. (4)
- Adjusted basic earnings per share from continuing operations, at 13.12p, up +7.8% versus the prior year.
- Continued balance sheet discipline in the fourth quarter, with closing net debt (excluding lease liabilities) of £30.7m, lower than the £49.2m at the prior year end.
- A final dividend of 3.42p, making a total of 6.09p for the full year. This +5% increase reflects the Board's confidence in the Group's financial resilience and future growth prospects.
- Adjusting items for FY21 relate primarily to the impact of disposals, Head office and regional restructuring and our simplification project in Nigeria.

Operating & Financial Highlights (continued)

- The loss after tax of £(16.6)m, compared to a profit of £19.7m in the prior year, is due to a loss from discontinued operations..
- The loss from discontinued operations, of £(51.6)m, is attributable to the pre-tax loss on disposal of Nutricima of £(40.7)m (including the impact of recycling of historical foreign exchange losses of £(39.9)m), associated tax expenses of £(5.2)m, the loss after tax of Nutricima to the date of disposal of £(4.8)m and losses of £(0.9)m associated with the disposal of Luksja which took place in the prior year.
- Basic earnings per share, showing a loss of (3.97)p, reflects the loss from discontinued operations.
- Profit before tax from continuing operations of £63.2m, compares to a profit of £18.3m in the prior year, explained by the impairments of the Australian brands five:am and Rafferty's Garden in the prior year.

Jonathan Myers, Chief Executive Officer, commented:

"Today we are reporting full year results for FY21 and providing a trading update for the first quarter of FY22.
FY21 represents the first year of our new strategy and the journey to turn around the business. With the return to top and bottom line growth on an adjusted basis and tangible progress on key elements of the strategy, we are pleased with the initial progress made while recognising that we have much more to do. The revenue momentum was broad-based, with all but one of our Must Win Brands and all of our regions in growth. We were able to demonstrate improved levels of profitability and significantly step up investments in marketing activity and commercial capabilities as we set out to be a business that builds stronger brands and serves more consumers. This was set against a backdrop of the Covid-19 pandemic, which saw unprecedented levels of demand for Hygiene products. Our brands were available for our consumers when they needed them most and we retained market leadership - both with Carex in the UK and Morning Fresh in Australia. We were also pleased with the strong performance of our Baby and Beauty businesses, as consumer hygiene habits start to normalise.
The momentum gives us confidence that we have the right strategy for the long-term: Building brands for life. Today and for future generations. We continue to work hard at executing the strategy: sustaining marketing investment behind our brands; simplifying the business; building capabilities; and evolving our culture.
The Board is recommending a final dividend of 3.42p (2020: 3.13p) per share, making a total of 6.09p (2020: 5.80p) per share for the year. This +5% increase reflects the Board's confidence in the Group's financial resilience and future growth prospects.
I am grateful to PZ Cussons employees around the world for their dedication in delivering renewed momentum in the business during a year of such challenge."

(1) Revenue growth is quoted on a continuing basis and at constant currency. The definition of constant currency is shown on page 5.
(2) Adjusting items are detailed in note 2.
(3) Net debt is defined as cash, short-term deposits and current asset investments, less bank overdrafts and borrowings. It does not include IFRS 16 lease liabilities (refer to note 7).
(4) Adjusted profit before tax consensus for FY21 was £63-65m.

* The results for the year ended 31 May 2020 have been restated. Further detail is contained within note 10

% change has been omitted where the variance is considered not meaningful (n/m)

The following performance commentary is presented on a continuing operations basis. Growth is shown in constant currency and operating profit is shown and discussed on an adjusted basis unless otherwise stated.

Business Review

Europe & the Americas

- Strong demand for Hygiene products has been complemented by strong revenue growth in our Beauty brands through the second half of the financial year, resulting from increased brand investment, successful activations and improved distribution.
- Revenue (1) growth of +4.8% was driven by significant growth in St.Tropez, supported by the successful Ashley Graham influencer campaign in the US and Sanctuary Spa, which has seen strong e-commerce performance.
- Carex revenue grew strongly versus the prior year, despite the comparison with strong demand in Q4 of FY20, with continued demand for both hand sanitiser and hand wash. Despite increased competitor activity, Carex remains the UK market leader for both hand sanitiser and hand wash with a 36% share of the combined category.
- Revenue from Original Source and Imperial leather declined in the year, due to softness in the washing & bathing category since the beginning of the Covid-19 lockdowns and some deliberate production choices to protect Carex supply.
- Adjusted operating profit, of £52.1m, was (3.7)% below the prior year (at constant currency) with improved profitability in Beauty partially offsetting a decline in UK Personal Care due to increased brand investment, fuelling strong Carex revenue growth and an increase in the brand's spontaneous awareness to 49% (2020: 43%).
- Reported operating profit, of £51.0m, was +4.1% ahead of the prior year (at constant currency) due to adjusting items in the prior year related to the Group pension recharge.

Asia Pacific

- Revenue (1) growth of +1.7%, across both the key markets of Indonesia and Australia / New Zealand.
- All Must Win Brands grew, including Cussons Baby in Indonesia and Morning Fresh in Australia / New Zealand.
- Cussons Baby in Indonesia remains a market leader, due to maintained brand investment and the relaunch of our baby powder product range.
- Morning Fresh in Australia increased its market share, was back on TV with a new advertising campaign after four years and launched new innovations into adjacent kitchen hygiene categories.
- Adjusted operating profit, of £20.7m, was +15.0% above the prior year (at constant currency) and ahead of revenue growth due to a reduction in operating costs driven by head office restructuring in Indonesia and Australia, plus switching to a distributor model in New Zealand.
- Reported operating profit, of £20.8m, compares with a loss in the prior year due to the prior year charge of £(36.6)m related to the impairment of the five:am and Rafferty's Garden brands in Australia.
- Disposal of five:am yoghurt brand announced on 7 May 2021 and completed on 4 June 2021.

Africa

- Revenue (1) growth of +16.2%, with growth across all of Nigeria, Kenya and Ghana.
- All Must Win Brands, namely Morning Fresh, Premier, Joy and Cussons Baby grew versus the prior year. Morning Fresh and Joy also increased their market share.
- Revenue growth across most Portfolio Brands with Electricals, Stella and Canoe in Nigeria all in double-digit growth.
- Adjusted operating profit, of £10.7m, compares with a loss of £(7.6m in the prior year driven by double-digit revenue growth and improved margin.
- Reported operating profit, of £9.0m, compares to a loss of £(2.9)m in the prior year. The adjusting items in the year relate to our Nigeria simplification project. The adjusting items in the prior year primarily related to accounting for investment properties in Ghana.
- Our Palm Oil joint venture, PZ Wilmar, improved its profitability versus the prior year primarily due to increased distribution. Devon King's and Mamador are the number 1 and number 3 brands in the cooking oil market, respectively.
- Disposal of Nutricima, our Nigerian milk business, on 28 September 2020, resulting in a loss from discontinued operations of £(50.7)m.
- Additional simplification initiatives completed, with the closure of our Coolworld retail electrical stores in the first half, with the review of the product portfolio, route to market, organisational design, infrastructure and non-core assets ongoing.

Central

- Adjusted operating loss of £(12.5)m compares to a profit of £0.7m in the prior year.
- Reported operating loss of £(15.2)m, including the £2.4m non-cash impairment of the investment in Wilmar PZ International Pte Limited, treated as an adjusting item.
- The increased costs include investments in resources and capabilities to develop, deploy and deliver against our new strategy. These include investments in Revenue Growth Management and digital capabilities and the bolstering of the Executive Leadership Team.
- Additionally, driving the increased cost, is the reinstatement of the annual bonus for Group employees, not paid in recent years due to poor business performance historically.
- Central costs also include some global business units that support local markets, for example our in-house fragrance centre of excellence Seven Scent and our procurement hub in Singapore. Notably in FY21, certain restrictions imposed by the Nigerian government and central bank prevented us fully utilising these internal services, and as such, they were loss-making.

For further enquiries, please contact

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Media	Tim Linacre / Guy Scarborough / Bryn Woodward - Instinctif	020 7457 2020

Investor and Analyst conference call

PZ Cussons management will host a webcast for analysts and investors at 9.30am to present the results and provide the opportunity for Q&A.
The presentation slides to accompany the conference call are available to download from the website at www.pzcussons.com.
The Annual General Meeting will be held on 23 November 2021. Subject to approval at the AGM, the final dividend will be paid on 30 November 2021 to shareholders on the register at the close of business on 22 October 2021.

Cautionary note regarding forward-looking statements
This announcement contains certain forward-looking statements relating to expected or anticipated results, performance or events. Such statements are subject to normal risks associated with the uncertainties in our business, supply chain and consumer demand along with risks associated with macro-economic, political and social factors in the markets in which we operate. Whilst we believe that the expectations reflected herein are reasonable based on the information we have as at the date of this announcement, actual outcomes may vary significantly owing to factors outside the control of the Group, such as cost of materials or demand for our products, or within our control such as our investment decisions, allocation of resources or changes to our plans or strategy. The Group expressly disclaims any obligation to revise forward-looking statements made in this or other announcements to reflect changes in our expectations or circumstances. No reliance may be placed on the forward-looking statements contained within this announcement.

Basis of Preparation

The accounting policies applied in our financial statements are explained in full within our FY20 Annual Report and Financial Statements. The Directors continue to adopt the going concern basis in preparing the accounts on the basis that the Group's strong liquidity position is sufficient to meet the Group's forecasted funding needs, including those modelled in a downside case.

The discontinued operations presented predominantly reflect Nutricima Ltd, the assets of which were disposed of on 28 September 2020. The loss from discontinued operations of £(51.6)m was attributable to the pre-tax loss on disposal of Nutricima of £(40.7)m (including the impact of recycling of historical foreign exchange losses of £(39.9)m), associated tax expenses of £(5.2)m, the loss after tax of Nutricima to the date of disposal of £(4.8)m and losses of £(0.9)m associated with the disposal of Luksja which took place in the prior year. Further detail is available in note 8.

On 4 June 2021, PZ Cussons plc completed the sale of the assets associated with five:am, which was the Group's yoghurt business in Australia. On this date, the control of the assets passed to the acquirer, Barambah Organics. The results of five:am have not been reported within discontinued operations as the disposal of five:am does not represent a disposal of a major line of business or an exit from a geographical area of operation.

In our Financial Statements we use alternative performance measures that are not recognised under IFRS. These metrics are used to allow the readers of the Financial Statements to obtain a more consistent comparison of the performance of the Group by adjusting for certain items which, if included, could distort the understanding of the Group's performance and comparability between periods. The same measures are used by management for planning, budgeting and reporting purposes and for the internal assessment of operating performance across the Group. The adjusted presentation represents a change from the Group's previous practice of reporting exceptional items, and will be adopted on a consistent basis for the purposes of the half year and full year reporting going forward. Where relevant, comparative IFRS measures have also been presented.

Adjusted results are presented before adjusting items which in the financial year, on a pre-tax basis, include £(40.7)m of costs related to the disposal of Nutricima, £(3.8)m of costs related to Nigeria simplification, £(2.8)m of costs related to Group and regional restructuring, a net £1.2m impact of classification of five:am assets as held for sale and £(0.4)m costs related to the disposal of the Luksja brand in Poland. Further detail is available in note 2.

The adjusted and reported results for the financial year are presented with variances to the prior year results and also as variances between the current and prior period on a constant currency basis. The constant currency impact has been derived by retranslating the 2020 results using 2021 average foreign currency exchange rates. The translational impact was a £(24.1) million loss on revenue, a £0.1 million gain on adjusted operating profit before tax and a £(2.0)m loss on reported operating profit before tax.

As a business we continue to make decisions on a geographic basis, and the information reviewed by the Chief Operating Decision Maker is based on a geographic segmentation of the business. Therefore, the financial performance discussed below is focused on the performance of the key regions. Further detail on the segmental performance is detailed in note 1 to the Financial Statements.

FRC review of 2020 Annual Report and Accounts and 2021 Interim Financial Information

On 22 April 2021 the Company received a letter from the Financial Reporting Council ('FRC') following a review of the Company's FY20 Annual Report and Accounts. The review conducted by the FRC was part of its ongoing cyclical review of FTSE listed companies. The review conducted by the FRC was based solely on the Group's published FY20 Annual Report and Accounts and does not provide any assurance that the Annual Report and Accounts are correct in all material respects. The FRC letter noted a number of questions and observations relating to the Company's accounts. The Company responded to the FRC letter undertaking to restate or correct certain disclosures made in the Company's FY20 Annual Report and Accounts and also to make certain changes to the Company's accounting policies for subsequent years in order to further improve and clarify our financial reporting. The FRC advised the company that its review had been satisfactorily closed on 13 September 2021. Further detail of the FRC's review is provided in note 10 and the Company's full response will be provided within our FY21 Annual Report and Financial Statements in due course.

Financial Review

On an IFRS basis, the loss after tax of £(16.6)m (2020: profit after tax of £19.7m) was driven by the £(51.6)m loss from discontinued operations which was attributable to the pre-tax loss on disposal of Nutricima of £(40.7)m (including the impact of recycling of historical foreign exchange losses of £(39.9)m), associated tax expenses of £(5.2)m, the loss after tax of Nutricima to the date of disposal of £(4.8)m and losses of £(0.9)m associated with the disposal of Luksja which took place in the prior year. Further detail is available in note 8... The basic loss per share of (3.97)p (2020: earnings of 5.62p) is due to this loss after tax.

Adjusted profit before tax from continuing operations, of £68.6m, was up +11.0% versus the prior year, driven by broad-based revenue growth and improved operating margin. Reported profit before tax from continuing operations, of £63.2m, up +245% versus the prior year is further explained by the impairments of the Australian brands five:am and Rafferty's Garden in FY20.

Revenue, at £603.3m, grew +2.7% with all regions and our core categories of Hygiene, Baby and Beauty all in growth. On a constant currency basis, revenue growth was 7.1%. Gross margin increased +60bps to 39.3%, supported by positive price / mix in each of our core categories. Additionally, marketing investment increased by over +40% on the prior year, with all the increase dedicated to Must Win Brands.

In Europe & the Americas, adjusted operating profit of £52.1m was (3.5)% lower than prior year (at constant currency). Profit growth in the Beauty business partially offset a decline in profit in the UK personal care business due to increased brand investment, predominantly behind Carex fuelling strong growth and an increase in spontaneous awareness to 49%, from 43% in the previous year. Beauty revenue benefitted from significant growth in St.Tropez, supported by the successful Ashley Graham influencer campaign in the US with further strong growth in Sanctuary Spa.

In Asia Pacific, adjusted operating profit of £20.7m was +15.0% higher than prior year at constant currency. This was stronger than revenue growth due to a reduction in operating costs driven by regional head office restructuring within Indonesia and Australia and switching to a distributor model in New Zealand. Revenue growth of +1.7% with both key markets of Indonesia and Australia / New Zealand in growth. Both markets saw brand investment benefit our key brands with market share gains seen in Cussons Baby in Indonesia and Morning Fresh in Australia.

Africa adjusted operating profit of £10.7m compares to a loss of £(7.6)m in the prior year. The improved profitability was due to strong revenue growth, improved adjusted operating profit margins and increased profit from our joint venture, Wilmar, due to increased distribution. Revenue growth (at constant currency) of +16.2% with growth across each of Nigeria, Kenya and Ghana. Additionally, all Must Win Brands in Africa were in growth versus prior year and each increased their market share.

Net finance costs of £(2.4)m (2020: £(4.1)m) reduced compared to the prior year, reflecting higher interest received on cash balances and lower interest paid on borrowings due to a reduction in the drawdown on our revolving credit facility. The balance drawn down at year end was £118m compared to £127m in the prior year.

Adjusted profit before tax of £68.6m (2020: £61.8m) reflects the growth in revenue and improved operating margin and the reduced finance costs compared to the prior year. The effective tax rate on adjusted profit was 21.0% (2020: 23.5%). The reduction in tax rate compared to last year is due to the release of tax provisions related to tax estimates for items in the UK and Nigeria.

Adjusted basic earnings per share from continuing operations was 13.12p (2020: 12.17p), up +7.8% versus the prior year.

In the year the Group incurred adjusting items which on a post-tax basis amounted to a charge of £(65.5)m. These are detailed further in note 2. The most significant items were related to the loss on disposal of Nutricima of £(45.9)m, which has been included in discontinued operations, and the deferred tax impact of the UK tax rate change of £(14.2)m, costs relating to our Nigeria simplication project of £(3.6)m, and costs of Group and regional restructuring of £(2.3)m, all of which have been included in continuing operations.

The balance sheet remains strong, with net debt, (defined as cash, short-term deposits and current asset investments, less bank overdrafts and borrowings and excluding lease liabilities) at £30.7m (2020: £49.2m). The reduction was due to proceeds from operations, plus the proceeds from the disposal of Nutricima, offset by the impacts of electing to cease paying for vendor financing within the UK and Indonesia, the provision of additional short-term funding to our PZ Wilmar joint venture, and our elective repayment of the UK government Covid-19 VAT deferral scheme. Net assets at 31 May 2021 were £381.8m (2020: £421.2m). The group is funded by a £325m revolving credit facility, committed until 28 November 2023, of which £118m is drawn down as at 31 May 2021 (2020: £127m).

Total free cash flow, defined as cash generated from operating activities less capital expenditure, was £64.5m (2020: £121.8m) representing a conversion rate of 70.4% (2020: 133.3%). This reflects the election to cease paying for vendor financing within the UK and Indonesia.

The Group’s three UK pension schemes have an aggregate accounting surplus under IAS 19 of £29.1m, after the restriction due to asset ceiling (2020: £38.4m). The overseas scheme reported a deficit of £(8.4)m (2020: £(7.7)m).

The Board is recommending a final dividend of 3.42p (2020: 3.13p) per share making a total of 6.09p (2020: 5.80p) per share for the year.

Reconciliation of key alternative performance measures to statutory results

	Year ended 31 May 2021	Restated * Year ended 31 May 2020
Profit before tax from continuing operations	**£63.2m**	**£18.3m**
Adjusting items before taxation[1]	£5.4m	£43.5m
Adjusted profit before tax from continuing operations	**£68.6m**	**£61.8m**
Net finance costs	£2.4m	£4.1m
Depreciation and amortisation	£20.6m	£25.5m
Adjusted EBITDA	**£91.6m**	**£91.4m**
Cash generated from operations	**£73.4m**	£128.5m
Less: Capital expenditure	**£(8.9)m**	£(6.7)m
Free cash flow	**£64.5m**	£121.8m
Free cash flow conversion rate^	**70.4%**	133.3%

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.
^free cash flow conversion rate is calculated as free cash flow divided by adjusted EBITDA
A complete set of alternative performance measures, with reconciliations to statutory numbers, will be provided in the Annual Report and Financial Statements in due course.

Reporting segments – continuing operations

Revenue (£m)	**2021**	Restated * 2020	Reported % change	Constant currency % change
Europe & the Americas	**216.9**	208.0	+4.3%	+4.8%
Asia Pacific	**187.2**	185.2	+1.1%	+1.7%
Africa	**192.6**	187.5	+2.7%	+16.2%
Central	**6.6**	6.5	+1.5%	+3.1%
	603.3	587.2	+2.7%	+7.1%

Adjusted operating profit/(loss) (1) (£m)				
Europe & the Americas	**52.1**	54.3	(4.1)%	(3.7)%
Asia Pacific	**20.7**	18.5	+11.9%	+15.0%
Africa	**10.7**	(7.6)	+241%	+262%
Central	**(12.5)**	0.7	(1886)%	(2183)%
	71.0	65.9	7.7%	7.6%

Statutory operating profit/(loss) (£m)				
Europe & the Americas	**51.0**	49.3	+3.4%	+4.1%
Asia Pacific	**20.8**	(19.3)	+208%	+197%
Africa	**9.0**	(2.9)	+410%	+475%
Central	**(15.2)**	(4.7)	(223)%	(217)%
	65.6	22.4	+193%	+222%

Consolidated Income Statement
Year ended 31 May 2021

	Notes	Year ended 31 May 2021 Business performance excluding adjusting items £m	Adjusting items (note 2) £m	Statutory results for the year £m	(Restated)* Year ended 31 May 2020 Business performance excluding adjusting items £m	Adjusting items (note 2) £m	Statutory results for the year £m
Continuing operations							
Revenue	1	**603.3**	**-**	**603.3**	587.2	-	587.2
Cost of sales		**(366.4)**	**-**	**(366.4)**	(360.2)	-	(360.2)
Gross profit		**236.9**	**-**	**236.9**	227.0	-	227.0
Selling and distribution costs		**(100.3)**	**-**	**(100.3)**	(91.7)	-	(91.7)
Administrative expenses		**(71.2)**	**(5.4)**	**(76.6)**	(72.2)	(43.5)	(115.7)
Share of results of joint ventures		**5.6**	**-**	**5.6**	2.8	-	2.8
Operating profit/(loss)	1	**71.0**	**(5.4)**	**65.6**	65.9	(43.5)	22.4
Finance income		**1.5**	**-**	**1.5**	0.9	-	0.9
Finance costs		**(3.9)**	**-**	**(3.9)**	(5.0)	-	(5.0)
Net finance costs		**(2.4)**	**-**	**(2.4)**	(4.1)	-	(4.1)
Profit/(loss) before taxation		**68.6**	**(5.4)**	**63.2**	61.8	(43.5)	18.3
Taxation	3	**(14.4)**	**(13.8)**	**(28.2)**	(14.5)	5.0	(9.5)
Profit/(loss) for the year from continuing operations		**54.2**	**(19.2)**	**35.0**	47.3	(38.5)	8.8
Discontinued operations							
(Loss)/profit from discontinued operations	8	**(5.3)**	**(46.3)**	**(51.6)**	(2.4)	13.3	10.9
Profit/(loss) for the year		**48.9**	**(65.5)**	**(16.6)**	44.9	(25.2)	19.7
Attributable to:							
Owners of the Parent		**49.6**	**(66.2)**	**(16.6)**	48.5	(25.0)	23.5
Non-controlling interests		**(0.7)**	**0.7**	**-**	(3.6)	(0.2)	(3.8)
		48.9	**(65.5)**	**(16.6)**	44.9	(25.2)	19.7
Basic EPS (p)	5	**11.85**	**(15.82)**	**(3.97)**	11.59	(5.97)	5.62
Diluted EPS (p)	5	**11.84**	**(15.80)**	**(3.96)**	11.59	(5.97)	5.62
From continuing operations:							
Basic EPS (p)	5	**13.12**	**(4.75)**	**8.37**	12.17	(9.16)	3.01
Diluted EPS (p)	5	**13.10**	**(4.75)**	**8.35**	12.17	(9.16)	3.01

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

Consolidated Statement of Comprehensive Income
Year ended 31 May 2021

	Notes	2021 £m	(Restated)* 2020 £m
(Loss)/profit for the year		**(16.6)**	19.7
Other comprehensive (expense) / income			
Items that will not be reclassified to profit or loss			
Re-measurement of post-employment benefit obligations		**(9.5)**	1.9
Deferred tax gain/(loss) on re-measurement of post-employment benefit obligations		**2.4**	(0.4)
Total items that will not be reclassified to profit or loss		**(7.1)**	1.5
Items that may be subsequently reclassified to profit or loss			
Exchange differences on translation of foreign operations		**(31.9)**	(6.5)
Deferred tax on foreign exchange related to quasi-equity loans		**1.4**	-
Cash flow hedges – fair value loss in year net of taxation		**(0.6)**	(0.4)
Cost of hedging reserve		**0.2**	0.1
Recycle of foreign exchange equity reserves on disposals	8	**39.9**	-
Recycle of equity reserves on disposal of subsidiary		**-**	(8.6)
Total items that may be subsequently reclassified to profit or loss		**9.0**	(15.4)
Other comprehensive income/(expense) for the year net of taxation		**1.9**	(13.9)
Total comprehensive (expense)/income for the year		**(14.7)**	5.8
Attributable to:			
Owners of the Parent		**(9.7)**	9.8
Non-controlling interests		**(5.0)**	(4.0)

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

Consolidated Balance Sheet
At 31 May 2021

	Notes	31 May 2021 £m	(Restated)* 31 May 2020 £m
Assets			
Non-current assets			
Goodwill and other intangible assets	6	**297.5**	304.4
Property, plant and equipment		**91.5**	112.3
Long-term right-of-use assets		**11.7**	13.7
Net investments in joint ventures		**34.2**	40.9
Deferred taxation assets		**5.9**	15.4
Tax receivable		**1.7**	6.9
Retirement benefit surplus		**33.6**	42.9
		476.1	536.5
Current assets			
Inventories		**91.1**	104.6
Trade and other receivables		**110.7**	104.1
Derivative financial assets		**1.0**	0.7
Current tax receivable		**14.2**	9.6
Current asset investments		**0.3**	0.3
Cash and short-term deposits		**87.0**	78.7
		304.3	298.0
Assets held for sale	9	**7.6**	20.5
		311.9	318.5
Total assets		**788.0**	855.0
Equity			
Share capital		**4.3**	4.3
Capital redemption reserve		**0.7**	0.7
Hedging reserve		**(0.4)**	-
Currency translation reserve		**(87.4)**	(100.5)
Other reserve		**(39.1)**	(39.0)
Retained earnings		**483.7**	530.3
Attributable to owners of the parent		**361.8**	395.8
Non-controlling interests		**20.0**	25.4
Total equity		**381.8**	421.2
Liabilities			
Non-current liabilities			
Borrowings		**118.0**	127.0
Other payables		**0.3**	0.4
Long-term lease liability		**8.7**	10.4
Deferred taxation liabilities		**75.2**	65.6
Retirement & other long-term employee benefit obligations		**12.9**	12.2
		215.1	215.6
Current liabilities			
Overdrafts		**-**	1.2
Trade and other payables		**150.9**	161.8
Short-term lease liability		**3.1**	3.4
Derivative financial liabilities		**0.7**	0.9
Current taxation payable		**35.2**	47.7
Provisions		**0.7**	3.2
		190.6	218.2
Liabilities directly associated with assets held for sale	9	**0.5**	-
Total liabilities		**406.2**	433.8
Total equity and liabilities		**788.0**	855.0

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

Consolidated Statement of Changes in Equity
Year ended 31 May 2021

		Attributable to owners of the Parent							
	Notes	Share capital £m	Currency translation reserve £m	Capital redemption reserve £m	Retained earnings £m	Other reserve £m	Hedging reserve £m	Non-controlling interests £m	**Total £m**
At 1 June 2019		4.3	(84.5)	0.7	538.8	(39.0)	0.3	29.2	449.8
Profit for the year (restated)*		-	-	-	23.5	-	-	(3.8)	19.7
Other comprehensive income/(expense):									
Re-measurement of post-employment obligations		-	-	-	1.9	-	-	-	1.9
Exchange differences on translation of foreign operations (restated)*		-	(6.3)	-	-	-	-	(0.2)	(6.5)
Cash flow hedges – fair value loss in year net of taxation		-	-	-	-	-	(0.4)	-	(0.4)
Cost of hedging reserve		-	-	-	-	-	0.1	-	0.1
Sale of subsidiary – recycle of equity reserves		-	(9.7)	-	1.1	-	-	-	(8.6)
Deferred tax on re-measurement of post-employment obligations		-	-	-	(0.4)	-	-	-	(0.4)
Total comprehensive income/(expense) for the year (restated)*		-	(16.0)	-	26.1	-	(0.3)	(4.0)	5.8
Transactions with owners:									
Ordinary dividends	4	-	-	-	(34.6)	-	-	-	(34.6)
Non-controlling interests dividend paid		-	-	-	-	-	-	(0.3)	(0.3)
Non-controlling interests forfeited dividend		-	-	-	-	-	-	0.5	0.5
Total transactions with owners recognised directly in equity		-	-	-	(34.6)	-	-	0.2	(34.4)
At 31 May 2020 (restated)*		4.3	(100.5)	0.7	530.3	(39.0)	-	25.4	421.2
At 1 June 2020		**4.3**	**(100.5)**	**0.7**	**530.3**	**(39.0)**	**-**	**25.4**	**421.2**
Loss for the year		**-**	**-**	**-**	**(16.6)**	**-**	**-**	**-**	**(16.6)**
Other comprehensive income/(expense):									
Re-measurement of post-employment obligations		**-**	**-**	**-**	**(9.5)**	**-**	**-**	**-**	**(9.5)**
Exchange differences on translation of foreign operations		**-**	**(26.8)**	**-**	**-**	**(0.1)**	**-**	**(5.0)**	**(31.9)**
Cash flow hedges – fair value loss in year net of taxation		**-**	**-**	**-**	**-**	**-**	**(0.6)**	**-**	**(0.6)**
Cost of hedging reserve		**-**	**-**	**-**	**-**	**-**	**0.2**	**-**	**0.2**
Disposals – recycle of equity reserves	8	**-**	**39.9**	**-**	**-**	**-**	**-**	**-**	**39.9**
Deferred tax on re-measurement of post-employment obligations	3	**-**	**-**	**-**	**2.4**	**-**	**-**	**-**	**2.4**
Deferred tax on foreign exchange related to quasi-equity loans		**-**	**-**	**-**	**1.4**	**-**	**-**	**-**	**1.4**
Total comprehensive income/(expense) for the year		**-**	**13.1**	**-**	**(22.3)**	**(0.1)**	**(0.4)**	**(5.0)**	**(14.7)**
Transactions with owners:									
Ordinary dividends	4	**-**	**-**	**-**	**(24.3)**	**-**	**-**	**-**	**(24.3)**
Non-controlling interests dividend paid		**-**	**-**	**-**	**-**	**-**	**-**	**(0.2)**	**(0.2)**
Acquisition of non-controlling interests		**-**	**-**	**-**	**-**	**-**	**-**	**(0.2)**	**(0.2)**
Total transactions with owners recognised directly in equity		**-**	**-**	**-**	**(24.3)**	**-**	**-**	**(0.4)**	**(24.7)**
At 31 May 2021		**4.3**	**(87.4)**	**0.7**	**483.7**	**(39.1)**	**(0.4)**	**20.0**	**381.8**

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

Consolidated Cash Flow Statement
Year ended 31 May 2021

	Notes	2021 £m	(Restated)* 2020 £m
Cash flows from operating activities			
Cash generated from operations		**73.4**	128.5
Taxation paid		**(20.0)**	(16.8)
Interest paid		**(2.9)**	(5.1)
Net cash generated from operating activities		**50.5**	106.6
Cash flows from investing activities			
Interest income		**1.2**	0.9
Investment income		**0.3**	-
Purchase of property, plant and equipment and software		**(8.9)**	(6.7)
Proceeds from sale of assets		**0.1**	0.6
Cash flow from disposal of companies & businesses		**16.2**	44.4
Repayment of loans by joint ventures		**3.4**	-
Funding provided to joint venture		**(9.6)**	(1.5)
Net cash generated from investing activities		**2.7**	37.7
Cash flows from financing activities			
Dividends paid to non-controlling interests		**(0.2)**	(0.3)
Dividends paid to Company shareholders	4	**(24.3)**	(34.6)
Acquisition of non-controlling interests		**(1.1)**	-
IFRS 16 finance lease payments		**(4.0)**	(3.2)
Repayment of loan facility		**(9.0)**	(79.0)
Net cash used in financing activities		**(38.6)**	(117.1)
Net increase in cash and cash equivalents		**14.6**	27.2
Cash and cash equivalents at the beginning of the year		**77.5**	51.9
Effect of foreign exchange rates		**(5.1)**	(1.6)
Cash and cash equivalents at the end of the year		**87.0**	77.5

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

Reconciliation of profit before tax to cash generated from operations
Year ended 31 May 2021

	2021 £m	(Restated)* 2020 £m
Profit before tax from continuing operations	**63.2**	18.3
(Loss)/Profit before tax from discontinued operations	**(46.9)**	11.9
Profit before tax	**16.3**	30.2
Adjustment for net finance costs	**2.4**	4.1
Operating profit	**18.7**	34.3
Depreciation	**14.3**	18.7
Amortisation (note 6)	**6.3**	6.8
Impairment of tangible and intangible assets	**0.5**	42.9
Impairment reversal on intangible fixed assets reclassified as held for sale (note 6)	**(1.5)**	-
Impairment of equity investment in joint venture	**2.2**	-
Loss/(profit) on sale of assets	**0.4**	0.3
Non-monetary acquisition of investment property (note 2)	**-**	(5.6)
Loss/(profit) on disposal of companies & businesses (note 8)	**40.7**	(22.2)
Other recycling of foreign exchange losses	**0.6**	-
Difference between pension charge and cash contributions	**0.5**	(3.9)
Share of results from joint ventures	**(5.6)**	(2.8)
Operating cash flows before movements in working capital	**77.1**	68.5
Movements in working capital:		
Inventories	**2.2**	10.8
Trade and other receivables	**(5.9)**	39.1
Trade and other payables	**1.3**	10.4
Provisions	**(1.3)**	(0.3)
Cash generated from operations	**73.4**	128.5

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

Notes to the Financial Statements

1. Segmental analysis

The segmental information presented in the note is consistent with management reporting provided to the Executive Leadership Team ('ELT'), which is the Chief Operating Decision Maker ('CODM'). The CODM reviews the Group's internal reporting in order to assess performance and allocate resources and has determined the operating segments based on these reports which include an allocation of central revenue and costs as appropriate. The CODM considers the business from a geographic perspective, with Europe & the Americas, Asia Pacific, Africa and Central being the operating segments.

In accordance with IFRS 8 'Operating Segments', the ELT has identified these reportable segments which aggregate the Group's trading entities by geographic location as these entities are considered to have similar economic characteristics. The number of countries that the Group operates in within these segments is limited to no more than five countries per segment, which share similar customer bases and encounter comparable micro environmental challenges.

The CODM assesses the performance based on operating profit before any adjusting items. Revenues and operating profit of the Europe & the Americas and Asia Pacific segments arise from the sale of Hygiene, Beauty and Baby products. Revenue and operating profit from the Africa segment also arise from the sale of Hygiene, Beauty and Baby products as well as Electrical products. The Central segment refers to the activities in terms of revenue of our in-house fragrance house and in terms of cost the expenditure associated with the global headquarters and above market functions net of recharges to our regions. The prices between Group companies for intra-group sales of materials, manufactured goods, and charges for franchise fees and royalties, are carried out on an arm's length basis.

Reporting used by the CODM to assess performance does contain information about brand specific performance but global segmentation between the portfolio of brands is not part of the regular internally reported financial information.

In November 2020, the Group made a change to report a "Central" operating segment; this was previously within "Europe & the Americas". The change was made as a result of the new Chief Operating Decision Maker ("CODM") deciding that the Group's segmental reporting, and internal reporting, should better reflect the way in which the business is managed and to more clearly be able to identify and manage the performance of the Europe & the Americas segment separate from that of the Central activities.

Reporting segments

Continuing operations

2021	**Europe & the Americas**	**Asia Pacific**	**Africa**	**Central**	**Eliminations**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
Gross segment revenue	**220.9**	**194.5**	**192.6**	**50.9**	**(55.6)**	**603.3**
Inter segment revenue	**(4.0)**	**(7.3)**	**-**	**(44.3)**	**55.6**	**-**
Revenue	**216.9**	**187.2**	**192.6**	**6.6**	**-**	**603.3**
Segmental operating profit before adjusting items and share of results of joint ventures	**52.1**	**20.7**	**5.1**	**(12.5)**	**-**	**65.4**
Share of results of joint ventures	**-**	**-**	**5.6**	**-**	**-**	**5.6**
Segmental operating profit before adjusting items	**52.1**	**20.7**	**10.7**	**(12.5)**	**-**	**71.0**
Adjusting items	**(1.1)**	**0.1**	**(1.7)**	**(2.7)**	**-**	**(5.4)**
Segmental operating profit	**51.0**	**20.8**	**9.0**	**(15.2)**	**-**	**65.6**
Finance income						**1.5**
Finance costs						**(3.9)**
Profit before taxation						**63.2**

Continuing operations 2020 (restated)*	Europe & the Americas £m	Asia Pacific £m	Africa £m	Central^ £m	Eliminations £m	Total £m
Gross segment revenue	211.6	194.7	187.5	105.9	(112.5)	587.2
Inter segment revenue	(3.6)	(9.5)	-	(99.4)	112.5	-
Revenue	208.0	185.2	187.5	6.5	-	587.2
Segmental operating profit before adjusting items and share of results of joint ventures	54.3	18.5	(10.4)	0.7	-	63.1
Share of results of joint ventures	-	-	2.8	-	-	2.8
Segmental operating profit before adjusting items	54.3	18.5	(7.6)	0.7	-	65.9
Adjusting items	(5.0)	(37.8)	4.7	(5.4)	-	(43.5)
Segmental operating profit	49.3	(19.3)	(2.9)	(4.7)	-	22.4
Finance income						0.9
Finance costs						(5.0)
Profit before taxation						18.3

^ In the financial statements for the year ended 31 May 2020 'Central' was included within 'Europe & the Americas'.
*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

The Group's parent company is domiciled in the UK. The split of revenue from external customers and non-current assets between the UK, Nigeria and rest of the world (other) is:

2021	UK £m	Nigeria £m	Other £m	Total £m
Revenue	197.3	163.6	242.4	603.3
Goodwill and other intangible assets	268.9	3.0	25.6	297.5
Property, plant and equipment	24.1	42.8	24.6	91.5
Long-term right-of-use assets	7.3	1.2	3.2	11.7
Net investment in joint ventures	34.2	-	-	34.2

2020 (Restated)*	UK £m	Nigeria £m	Other £m	Total £m
Revenue	193.0	156.5	237.7	587.2
Goodwill and other intangible assets	271.5	2.7	30.2	304.4
Property, plant and equipment	27.0	55.1	30.2	112.3
Long-term right-of-use assets	7.5	1.6	4.6	13.7
Net investment in joint ventures	40.9	-	-	40.9

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

The Group analyses its revenue by the following categories:

	2021 £m	2020 £m
Hygiene	**322.4**	321.1
Baby	**100.0**	98.3
Beauty	**74.1**	66.6
Electricals	**79.4**	76.2
Other	**27.4**	25.0
	603.3	587.2

2. Adjusting Items

The Group adopts a columnar Income Statement format to highlight significant items within the Group's results for the year. Such items are those debits or credits which, in the opinion of the Directors, should be excluded in order to provide a consistent and comparable alternative view of the performance of the Group's ongoing business. Generally, this will include those items that are largely one-off and material in nature as well as income or expenses relating to acquisitions or disposals of businesses or other transactions of a similar nature. The Directors apply judgement in assessing the particular items, which by virtue of their magnitude and nature should be disclosed in a separate column of the Income Statement and notes to the Financial Statements as 'Adjusting items'.

The Directors believe that the separate disclosure of these items is relevant to an understanding of the Group's financial performance by providing a more meaningful basis upon which to analyse underlying business performance and make year-on-year comparisons. The same measures are used by management for planning, budgeting and reporting purposes and for the internal assessment of operating performance across the Group. The adjusted presentation represents a change from the Group's previous practice of reporting exceptional items and will be adopted on a consistent basis for each of the half year and full year results going forward.

This change was made recognising the views of European Securities and Markets Authority, the Financial Reporting Council, and changes in market practice..

Year to 31 May 2021 Adjusting items included within continuing operations:	**Adjusting items before taxation £m**	**Taxation £m**	**Adjusting items after taxation £m**
Group and regional restructuring	2.8	(0.5)	2.3
Impact of classification of five:am assets as held for sale	(1.2)	0.3	(0.9)
Nigeria simplification	3.8	(0.2)	3.6
UK tax rate change – deferred tax impact	-	14.2	14.2
	5.4	**13.8**	**19.2**
Adjusting items included within discontinued operations:			
Loss on disposal of Nutricima assets	40.7	5.2	45.9
Disposal of Luksja brand	0.4	-	0.4
	41.1	**5.2**	**46.3**
Total adjusting items	**46.5**	**19.0**	**65.5**

Year to 31 May 2020 Adjusting items included within continuing operations:	Restated* Adjusting items before taxation £m	Restated* Taxation £m	Restated* Adjusting items after taxation £m
Group structure & systems project	4.9	(1.1)	3.8
Group strategy project	3.5	-	3.5
Profit on sale of Greece business	3.1	-	3.1
Profit on sale of Luksja brand	1.0	-	1.0
Impairment of Australian assets	36.6	(5.3)	31.3
Gain on exchange of land for investment property	(5.6)	1.4	(4.2)
	43.5	**(5.0)**	**38.5**
Adjusting items included within discontinued operations:			
Group strategy	2.4	-	2.4
Profit on sale of Greece business	(11.0)	-	(11.0)
Profit on sale of Luksja brand	(6.1)	1.4	(4.7)
	(14.7)	**1.4**	**(13.3)**
Total adjusting items	**28.8**	**(3.6)**	**25.2**

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

3. Taxation

	2021 £m	Restated 2020 £m
Current tax		
UK corporation tax charge for the year	**8.5**	7.8
Adjustments in respect of prior years	**1.6**	0.1
Double tax relief	**(1.0)**	(0.8)
	9.1	7.1
Overseas corporation tax charge for the year	**0.9**	10.9
Adjustments in respect of prior years	**(0.2)**	(0.4)
	0.7	10.5
Total current tax charge	**9.8**	17.6
Deferred tax		
Origination and reversal of temporary timing differences	**5.1**	(12.4)
Adjustments in respect of prior years	**3.6**	0.4
Effect of rate change adjustments (including adjusting item of £14.2m (2020 - £nil)	**14.4**	4.9
Total deferred tax charge	**23.1**	(7.1)
Total tax charge	**32.9**	10.5

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

Within the tax charge for the year, £19.0m is classified within adjusting items, of which £19.4m is deferred tax and a credit of £0.4m is current tax. Further detail included in note 2.

UK corporation tax is calculated at 19.0% (2020: 19.0%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. UK deferred tax has been remeasured at 25% following the enactment of UK Finance Act 2021, an impact of £14.2m which has been included in adjusting items.

The Group has chosen to use the UK corporation tax rate for the reconciliation of the charge for the year to the profit before taxation per the Consolidated Income Statement, as this is where the majority of the Group's profit is derived.

	2021 £m	(Restated)* 2020 £m
Profit before tax from continuing operations	**63.2**	18.3
(Loss)/profit before tax from discontinued operations	**(46.9)**	11.9
Profit before tax	**16.3**	30.2
Tax at the UK Corporation tax rate of 19.0% (2020: 19.0%)	**3.1**	5.7
Adjusted for:		
Tax effect of expenses that are not deductible/taxable	**15.8**	8.7
Tax effect of non-taxable income	**(2.9)**	(6.8)
Effect of rate changes on deferred taxation (all territories)	**14.4**	4.9
Tax effect of share of results of joint ventures	**(1.7)**	(0.9)
Other taxes suffered	**2.4**	1.3
Net adjustment to amount carried in respect of uncertain tax positions	**(6.8)**	0.1
Movements in deferred tax assets not recognised	**8.1**	0.2
Adjustments in respect of prior years	**5.0**	0.1
Difference in foreign tax rates (non-UK residents)	**(4.5)**	(2.8)
Tax charge for the year	**32.9**	10.5
Tax charge attributable to continuing operations	**28.2**	9.5
Tax charge attributable to discontinued operations	**4.7**	1.0
Tax charge for the year	**32.9**	10.5

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

Taxation on items taken directly to equity and other comprehensive income was a credit of £3.8m (2020: gain of £3.7m) and relates to deferred tax on pensions and foreign exchange differences on intercompany loans.

4. AGM & Dividend

The Board is recommending a final dividend of 3.42p (2020: 3.13p) per share, making a total dividend for the year of 6.09p (2020: 5.80p) per share. The gross amount for the proposed final dividend is £14.3 million (2020: £13.1 million).

The date of the Annual General Meeting has been fixed for 23 November 2021. Subject to shareholder approval, the final dividend will be paid on 30 November 2021 to members on the register at the close of business on 22 October 2021.

5. Earnings per share

Earnings per share ('EPS') represents the amount of earnings (post-tax profits/losses) attributable to each ordinary share in issue. Basic EPS is calculated by dividing the earnings (profit after tax in accordance with IFRS) attributable to owners of the Parent by the weighted average number of ordinary shares that were in issue during the year. Diluted EPS demonstrates the impact if all outstanding share options that would vest on their future maturity dates if the conditions at the end of the reporting period were the same as those at the end of the contingency period (such as those to be issued under employee share schemes) were exercised and treated as ordinary shares as at the balance sheet date.

	2021 Number 000	2020 Number 000
Basic weighted average	**418,402**	418,353
Diluted weighted average	**419,016**	418,353

The difference between the average number of ordinary shares and the basic weighted average number of ordinary shares represents the shares held by the Employee Share Option Trust, while any difference between the basic and diluted weighted average number of shares represents the potentially dilutive effect of the Executive Share Option Schemes and the Performance Share Plan. The average number of shares is reconciled to the basic and diluted weighted average number of shares below:

	2021 Number 000	2020 Number 000
Average number of ordinary shares in issue during the year	**428,725**	428,725
Less: weighted average number of shares held by Employee Share Option Trust	**(10,323)**	(10,372)
Basic weighted average shares in issue during the year	**418,402**	418,353
Dilutive effect of share incentive plans	**614**	-
Diluted weighted average shares in issue during the year	**419,016**	418,353

Total Earnings Per Share

	2021 £m	(Restated)* 2020 £m
(Loss)/profit after tax attributable to owners of the parent	**(16.6)**	23.5
Adjusting items after taxation, attributable to owners of the parent	**66.2**	25.0
Adjusted profit after tax attributable to owners of the parent	**49.6**	48.5

	2021 pence	(Restated)* 2020 pence
Basic (loss)/earnings per share	**(3.97)**	5.62
Impact of adjusting items	**15.82**	5.97
Adjusted basic earnings per share	**11.85**	11.59
Diluted (loss)/earnings per share	**(3.96)**	5.62
Impact of adjusting items	**15.80**	5.97
Adjusted diluted earnings per share	**11.84**	11.59

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

From continuing operations

	2021 £m	(Restated)* 2020 £m
Profit from continuing operations attributable to owners of the parent	**35.0**	12.6
Adjusting items after taxation, attributable to owners of the parent	**19.9**	38.3
Adjusted profit after tax attributable to owners of the parent	**54.9**	50.9

	2021 pence	(Restated)* 2020 pence
Basic diluted earnings per share	**8.37**	3.01
Impact of adjusting items	**4.75**	9.16
Adjusted basic earnings per share	**13.12**	12.17
Diluted earnings per share	**8.35**	3.01
Impact of adjusting items	**4.75**	9.16
Adjusted diluted earnings per share	**13.10**	12.17

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

From discontinued operations

	2021 £m	(Restated)* 2020 £m
(Loss)/profit after tax from discontinued operations attributable to owners of the parent	(51.6)	10.9
Adjusting items after taxation, attributable to owners of the parent	**46.3**	(13.3)
Adjusted loss after tax attributable to owners of the parent	**(5.3)**	(2.4)

	2021 pence	(Restated)* 2020 pence
Basic (loss) / earnings per share	**(12.33)**	**2.61**
Impact of adjusting items	**11.06**	(3.18)
Adjusted basic loss per share	**(1.27)**	(0.57)
Diluted earnings per share	**(12.31)**	**2.61**
Impact of adjusting items	**11.06**	(3.18)
Adjusted diluted earnings per share	**(1.26)**	(0.57)

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

6. Goodwill and other intangible assets

	Goodwill £m	Software £m	Brands £m	Total £m
Cost				
At 1 June 2019	70.4	60.0	286.4	416.8
Currency retranslation	(0.1)	(0.1)	-	(0.2)
Additions	-	1.7	-	1.7
Sale of subsidiary	(1.2)	(1.0)	(8.9)	(11.1)
Reclassifications from property, plant and equipment	-	2.6	-	2.6
Reclassified as held for sale (note 9)	-	-	(9.2)	(9.2)
At 31 May 2020	69.1	63.2	268.3	400.6
Currency retranslation	(0.1)	(0.8)	0.3	(0.6)
Additions	-	2.4	-	2.4
Acquisition of non-controlling interest	0.9	-	-	0.9
Disposals	(2.9)	(0.8)	-	(3.7)
Reclassifications from property, plant and equipment	-	1.3	-	1.3
Reclassified as held for sale (note 9)	(21.5)	-	(32.8)	(54.3)
Revised analysis between cost and amortisation of intangible assets & between categories	8.4	0.7	(2.6)	6.5
At 31 May 2021	**53.9**	**66.0**	**233.2**	**353.1**
Accumulated amortisation & impairment				
At 1 June 2019	19.4	15.4	12.8	47.6
Currency retranslation	0.2	-	1.5	1.7
Charge for the year	-	6.8	-	6.8
Sale of subsidiary	-	(1.0)	-	(1.0)
Impairment loss	6.7	6.3	28.1	41.1
At 31 May 2020	26.3	27.5	42.4	96.2
Currency retranslation	0.3	(0.3)	-	-
Charge for the year	-	6.3	-	6.3
Disposals	(2.9)	(0.7)	-	(3.6)
Impairment reversal	-	-	(1.5)	(1.5)
Reclassified as held for sale (note 9)	(21.5)	-	(26.8)	(48.3)
Revised analysis between cost and amortisation of intangible assets & between categories	8.4	-	(1.9)	6.5
At 31 May 2021	**10.6**	**32.8**	**12.2**	**55.6**
Net book values				
At 31 May 2021	**43.3**	**33.2**	**221.0**	**297.5**
At 31 May 2020	42.8	35.7	225.9	304.4

Goodwill and other intangible assets (excluding software), which include the Group’s acquired brands, all have indefinite useful lives and are subject to annual impairment testing, or more frequent testing if there are indicators of impairment. The method used is as follows:

- intangible assets (including goodwill) are allocated to appropriate cash-generating units (‘CGUs’) based on the smallest identifiable group of assets that generate cash inflows independently in relation to the specific intangible/goodwill.
- the recoverable amounts of the CGUs are determined through value-in-use calculations that use cash flow projections from approved budgets and plans over a period of five-year which are then extrapolated beyond the five-year period based on estimated long-term growth rates.

Having performed the annual impairment tests, no impairments have been recognised in FY21. In forming this conclusion the Directors reviewed a sensitivity analysis performed by management, which focused on the reasonably possible downsides of key assumptions, both individually and in reasonably possible combinations, and considered whether these reasonably possible downsides give rise to an impairment, with the conclusion that no reasonable possible changes in key assumptions would cause the recoverable amount of the CGUs to be less than their carrying value.

Full disclosures on the methodology used for impairment testing including the results of the tests will be detailed in the notes to the Financial Statements for the year ended 31 May 2021.

7. Net debt (excluding lease liabilities)

The Group considers Net debt (excluding lease liabilities) to be an important alternative performance measure, on the basis that this measure forms the basis of the Net debt to EBITDA covenant in relation to the Group's Revolving Credit Facility (RCF). The Group had net debt (excluding lease liabilities) positions as at 31 May 2021 and 31 May 2020 respectively, as shown below:

£m	31 May 2021	31 May 2020
Cash at bank and in hand	**79.4**	77.8
Short-term deposits	**7.6**	0.9
Bank overdrafts	**-**	(1.2)
Cash and cash equivalents	**87.0**	77.5
Current asset investments	**0.3**	0.3
Non-current interest-bearing loans and borrowings	**(118.0)**	(127.0)
Net debt (excluding lease liabilities)	**(30.7)**	(49.2)

IFRS 16 liabilities of £11.8m (2020: £13.7m) have been excluded from this metric.

Loans due in greater than one year include the Group's main borrowing facility. This is provided by a syndicate of lenders in the form of a £325 million RCF committed until 28 November 2023.

8. Discontinued operations

On 18 March 2020, the Group exchanged contracts for the sale of the assets associated with Nutricima Ltd, which carried out the Group's Food & Nutrition operations in Africa. The sale completed on 28 September 2020, on which date control of the assets passed to the acquirer. The assets included in the sale were land & buildings and plant & machinery of the Nutricima factory, intellectual property relating to the brands of Nutricima and the inventory holding of Nutricima on the date of disposal.

Following completion of the sale, Nutricima Ltd ceased to make commercial sales, but final business activities, such as collection of remaining debtors and settlement of liabilities continued until May 2021.

As at 31 May 2021, the only material balance remaining on the balance sheet of Nutricima Ltd relates to long-term quasi-equity loans from its parent company, Milk Ventures (UK) Ltd. These loans are predominantly denominated in USD. As the activities of this foreign operation have now ceased, such that there has been a disposal per the definition in IAS 21.48, all foreign exchange differences arising in connection with this foreign operation have now been reclassified to the income statement. This includes the foreign exchange differences arising on translation of these long-term quasi-equity loans, which for consolidation purposes were historically recorded in other comprehensive income and accumulated in equity in accordance with IAS 21.32. The accumulated losses in this regard which have now been reclassified to the income statement within adjusting items totalled £37.5m. In addition, the functional currency of Nutricima Ltd was changed to USD as the predominant balance remaining in this entity relates to these USD denominated quasi-equity loans. This led to a further recycling of foreign exchange accumulated gains in Nutricima Ltd of £5.1m, which is also shown as part of the loss on disposal in adjusting items. The total amount of recycling foreign exchange related to the quasi-equity loans in Nutricima is therefore £32.4m.

In the prior period, on 28 August 2019, the Group entered into a sale agreement to dispose of Minerva S.A., which carried out the Group's Food & Nutrition operations in Greece as part of the Europe & the Americas regional segment. The disposal was completed on 30 September 2019, on which date control of Minerva S.A. passed to the acquirer.

Additionally in the prior period, on 12 August 2019, the Group entered into an agreement for the sale of the Polish Personal Care brand Luksja. The sale agreement included the sale of the inventory holding of PZ Polska SA. This disposal was completed on 28th February 2020, on which date rights to the Luksja brand passed to the acquirer.

Minerva S.A. was disposed of during the financial year to 31 May 2020 and as such there are no results relating to Minerva S.A. in the PZ Cussons Group accounts for the year to 31 May 2021. The discontinued operations in the year to 31 May 2021 relate solely to Nutricima and Luksja.

The results of the discontinued operations, which have been included in the Consolidated Income Statement, were as follows:

	Luksja	Nutricima		(Restated)*
			31 May 2021	31 May 2020
	£m	£m	**£m**	£m
Revenue	0.3	2.1	**2.4**	45.5
Expenses	(0.3)	(7.9)	**(8.2)**	(48.4)
Loss before tax	-	(5.8)	**(5.8)**	(2.9)
Taxation	(0.5)	1.0	**0.5**	0.5
Loss after tax incurred to date of disposal	(0.5)	(4.8)	**(5.3)**	(2.4)
Adjusting items (note 2):				
Costs of liquidation following disposal of Luksja	(0.4)	-	**(0.4)**	-
Loss on disposal (see below)	-	(40.7)	**(40.7)**	14.7
Attributable tax expenses	-	(5.2)	**(5.2)**	(1.4)
	(0.4)	(45.9)	**(46.3)**	13.3
Net (loss)/profit attributable to discontinued operations (attributable to owners of the Company)	(0.9)	(50.7)	**(51.6)**	10.9

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

The breakdown of the loss before tax on disposal of Nutricima is as follows:

	£m
Total proceeds (cash)	**16.2**
Assets disposed of:	
Property, plant and equipment	(7.1)
Intangible assets	(9.2)
Inventories	(1.8)
Costs of disposal (including £7.5m loss on recycling of historic foreign exchange reserves in relation to assets sold)	(6.4)
Loss on recycling of historical net foreign exchange losses on quasi-equity loans	(32.4)
Loss on disposal, before taxation	**(40.7)**

Total losses on recycling foreign exchange differences related to Nutricima are £39.9m including an amount related to intercompany quasi-equity loans of £32.4m, and the amount related to historic exchange reserves in relation to assets disposed of £7.5m which is included in the costs of disposal.

The cash flows that are attributable to the activities of the discontinued operations are as follows:

	Luksja £m	Nutricima £m	**31 May 2021 £m**	(Restated)* 31 May 2020 £m
Net cash generated from/(used in) operating activities	0.1	(7.6)	**(7.5)**	7.2
Net cash generated from investing activities	0.1	15.9	**16.0**	51.1
Net cash (used in) financing activities	-	-	**-**	-
Net increase in cash and cash equivalents	0.2	8.3	**8.5**	58.3

*The results for the year ended 31 May 2020 have been restated to reflect prior year adjustments. Further details are set out in note 10.

During the year, cash flows associated with Nutricima contributed a net amount of £8.3m of cash to the Group. Nutricima Ltd used £(7.6)m of cash in operating activities. £15.9m of cash was generated from investing activities, of which £11.9m was generated by Nutricima Ltd predominantly in relation to the sale of assets, and a further £4.0m was generated by PZ Cussons Nigeria in relation to the sale of the land at the Nutricima factory.

9. Assets held for sale

	2021 £m	2020 £m
Disposal group held for sale[(a)]		
Intangible assets (note 6)	**6.0**	9.2
Property, plant and equipment	**0.3**	7.9
Inventory	**0.6**	3.4
Employee related accruals	**(0.5)**	-
Subtotal	**6.4**	20.5
Property, plant and equipment held for sale[(b)]	**0.7**	-
Total	**7.1**	20.5
Current assets:		
Assets held for sale	**7.6**	20.5
Current liabilities:		
Liabilities directly associated with assets held for sale	**(0.5)**	-

(a) The disposal group relates to the assets, specified liabilities and shares of five:am, the Group's yoghurt business in Australia. The assets and liabilities were held in PZ Cussons Australia Pty Ltd, whilst the shares in Five AM Life Pty Ltd were held by PZ Cussons Beauty Australia (Holdings) Pty Ltd at the point of disposal. The sale of five:am's trade, assets and shares to Barambah Organics was announced on 7 May 2021. The disposal is consistent with the Group’s strategy of disposing of non-core brands and activities. The sale completed on 4 June 2021 and as such the associated assets and liabilities were classified as "held for sale" at 31 May 2021 in accordance with IFRS 5. The results of five:am are shown as continuing operations on the basis that the disposal constituted neither a major line of business or an exit from a geographical area of operation.

The disposal group as at 31 May 2020 included certain assets of the Nutricima business. These assets were sold on 28 September 2020. Results of this business are presented within 'discontinued operations'. See note 8 for further information on discontinued operations.

(b) The property, plant and equipment held for sale relates to disused land held in the UK. Discussions regarding the sale of the land began in September 2020. As at 31 May 2021, the sale was nearing completion subject to local authority planning regulations and as such the land was classified as "held for sale" at 31 May 2021 in accordance with IFRS 5. Prior to classifying to held for sale, the fair value of the land was assessed in accordance with IAS 16, and an impairment loss of £0.3m was recognised in the income statement.

10. Accounting policies

While the financial information in this preliminary announcement has been computed in accordance with IFRS, this announcement does not itself contain sufficient information to comply with IFRS.

The Financial Statements have been prepared in accordance with International accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards (IFRS) adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

The Financial Statements have been prepared on a going concern basis and on a historical cost basis except for the revaluation of certain financial assets and financial liabilities (including derivative instruments and pensions) at fair value through profit or loss.

The Financial Statements have been prepared using consistent accounting policies except as stated below.

New and amended standards adopted by the Group

In the current year, the Group has not applied any new IFRS standards or amendments to standards as those which were amended were not relevant to the Group's policies or statements.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 May 2021 reporting year and have not been early adopted by the Group. The Group will undertake an assessment of the impact of the following new standards and interpretations in due course:

- IFRS 17 'Insurance Contracts'; from FY24
- Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28; date TBC
- Amendments to IFRS 7, IFRS 9 and IAS 39 – Interest Rate Benchmark Reform; from FY22
- Amendments to IFRS 3 'Business Combinations'; from FY23
- Amendments to IAS 1 'Presentation of Financial Statements'; and from FY24
- Amendments to IAS 8 'Accounting policies, changes in accounting estimates and errors' from FY24

Restatement due to prior year adjustments
As reported in the basis of preparation on page 5, the FRC conducted a periodic review of the Company's FY20 Annual Report and Accounts and sought to understand a number of accounting decisions and judgments. Following that review the Company made certain corrections or clarifications in our financial reporting. These reclassifications were identified as part of the FRC's review, with the error related to Ghanain investment property being identified as part of the preparation of the current year financial statements. These corrections are as follows:

Reclassification between Continuing and Discontinued Operations
Certain amounts reported within 'continuing operations' on the face of the Consolidated Income Statement are more appropriately included within discontinued operations. Specifically, the post-tax loss of discontinued operations was appropriately reported in the income statement line item 'Loss from discontinued operations'. However, the post-tax gains recognised on the disposal of the disposal groups constituting the discontinued operations, totalling £15.0m, were reported in the 'Administrative expenses' and 'Taxation' lines within continuing operations, albeit separately highlighted as exceptional. The impact of this is to increase continuing administrative expenses by £16.4m, decrease continuing taxation charge by £1.4m and increase the profit from discontinued operations by £15.0m.

Reclassification between Cash Generated from Operating Activities and Investing Activities
In the consolidated cash flow statement, cash proceeds of £9.2m received in relation to the Luksja discontinued operations were included within operating activities. These should have been adjusted for in 'Cash generated from operations' and then shown in the 'Cash inflows from investing activities' section as 'Cash flow from disposal of companies and businesses' (in aggregate with the cash inflows on disposal of Minerva SA, which were presented appropriately in this line item). The impact of is to reduce cash generated from operations by £9.2m and increase cash generated from investing activities by £9.2m.

Accounting for Ghanaian Investment Property
In addition, in preparing these Financial Statements, an error was identified relating to the accounting for investment property in Ghana. The Group's Ghanaian entity had entered into a historic contract to exchange the rights to develop 28 properties on land that the Group owned in return for eight of the properties, once they had been completed. As this transaction did not involve cash, the Group had erroneously not recorded any accounting entries in relation to the recognition of the investment property that was acquired in this exchange of assets, nor was any of the land, which had an immaterial cost, derecognised in relation to the 20 properties that were retained by the property developer.

We consider that recognition of an asset in relation to this contract prior to title in relation to the properties passing to the Group is not appropriate as there were delays, of a number of years, in the development of the properties and a legal dispute over the Group's ownership of the land, which while ultimately resolved, called into question, until FY20, the probability of the contract being successfully executed. Therefore, the Group should have applied the requirements of IAS 40 paragraph 5 and recognised the investment properties on the balance sheet at their fair value, being the deemed cost under the Group's cost accounting policy in respect of investment properties, of £5.6m at the point that title passed to the Group, which was during the year ended 31 May 2020. A corresponding credit to the income statement of £5.6m should also have been recognised at the point of recognition of the investment properties, as well as a related deferred tax liability of £1.4m and a corresponding tax charge of £1.4m. These income statement amounts have been recognised within adjusting items in FY20 as they meet the Group's definition of adjusting items, being material and one-off in nature.

Further, during FY20, one of the eight properties held by the Group was sold for proceeds of £0.5m. Since no book value had been recorded for these properties, the disposal was recorded at the proceeds value against other investment properties. Subsequently no profit or loss was recognised on disposal. Given the correct accounting described above, this disposal transaction has been reversed and replaced with the difference between the proceeds and the revised carrying value of the property, being a loss on disposal of £0.2m. This net loss has been recognised within operating profit before adjusting items on the basis that it does not meet the Group's adjusted items policy, being neither material nor one-off in nature.

All of these adjustments have been recognised as prior year errors in accordance with IAS 8 'Accounting policies, changes in accounting estimates and errors' with the Financial Statements restated accordingly. The impact of the prior year adjustments on the affected primary statement line items is shown in the table below:

	31 May 2020 £m					
	As previously reported	**Reclassification between Continuing and Discontinued Operations**	**Reclassification between Cash Generated from Operating Activities and Investing Activities**	**Recognition of investment property**	**Disposal of investment property**	**As restated**
Consolidated Income Statement						
Continuing Operations						
Administrative expenses	(104.7)	(16.4)	-	5.6	(0.2)	(115.7)
Operating profit	33.4	(16.4)	-	5.6	(0.2)	22.4
Profit before tax	29.3	(16.4)	-	5.6	(0.2)	18.3
Taxation	(9.7)	1.4	-	(1.4)	0.2	(9.5)
Profit/(Loss) from continuing operations	19.6	(15.0)	-	4.2	-	8.8
(Loss)/Profit from discontinued operations	(4.1)	15.0	-	-	-	10.9
Profit attributable to owners of the parent	19.3	-	-	4.2	-	23.5
Consolidated Cash Flow Statement						
Cash generated from operations	137.7	-	(9.2)	-	-	128.5
Net cash generated from operating activities	115.8	-	(9.2)	-	-	106.6
Cash flow from disposal of companies & businesses	35.2	-	9.2	-	-	44.4
Net cash generated from investing activities	28.5	-	9.2	-	-	37.7
Net increase/(decrease) in cash and cash equivalents	27.2	-	-	-	-	27.2
Balance Sheet						
Property plant and equipment	106.9	-	-	5.6	(0.2)	112.3
Deferred tax liability	(64.4)	-	-	(1.4)	0.2	(65.6)
Current tax payable	(47.8)	-	-	-	0.1	(47.7)
Currency reserves	(100.6)	-	-	-	0.1	(100.5)
Retained earnings	526.1	-	-	4.2	-	530.3
Reserves attributable to owners of the parent	391.5	-	-	4.2	-	395.8

11. Basis of financial statements

This announcement was approved by the Board of Directors on 22 September 2021. The financial information in this announcement does not constitute the Group's statutory accounts for the year ended 31 May 2021 or 31 May 2020 but it is derived from those accounts. Statutory accounts for 31 May 2020 have been delivered to the Registrar of Companies, and those for 31 May 2021 will be delivered after the Annual General Meeting. The auditors have reported on those accounts; their reports were unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498(2) or (3) of the Companies Act 2006. The audit of the statutory accounts for the year ended 31 May 2021 is not yet complete. These accounts will be finalised on the basis of the financial information presented by the directors in this preliminary announcement and will be delivered to the Registrar of Companies following the company's annual general meeting.

The audited consolidated financial statements from which the 2020 results are extracted have been prepared under the historical cost convention in accordance with IFRS (International Financial Reporting Standards), as adopted by the EU, IFRS IC interpretations and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The standards used are those published by the International Accounting Standards Board (IASB) and endorsed by the EU and effective at the time of preparing these financial statements (September 2021).

After making enquiries, the Directors have reasonable expectations that the Group has adequate resources to continue to operate for a period of at least 12 months from the date of approving the financial statements. Accordingly they continue to adopt the going concern basis in preparing this financial information.

12. Events after the reporting period

On 4 June 2021, PZ Cussons plc completed the sale of the assets associated with five:am, which was the Group's yoghurt business in Australia. On this date, the control of the assets passed to the acquirer, Barambah Organics. Proceeds for the sale were £7.3m and the profit recognised on disposal was £0.9m.

In addition, in the post year end period, foreign exchange reserves of £0.4m charge associated with the brand have been recycled to the profit and loss account and the related deferred tax liability has been released (£1.8m with associated foreign exchange reserve of £0.6m).

The results of five:am have not been reported within discontinued operations in the FY21 results as five:am does not represent a disposal of a major line of business or an exit from a geographic area of operation as per IFRS 5.

13. Statement of Directors' responsibilities

Each of the Directors confirms that, to the best of their knowledge:

- The Financial Statements within the full Annual Report and Financial Statements from which the financial information within this preliminary results announcement has been extracted, have been prepared in accordance with IFRS as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit of the Company and the undertakings included in the consolidation taken as a whole; and
- The basis of preparation, outlook, trading performance overview and regional reviews include a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces.

Approved by the board of Directors on 22 September 2021.