



**GHANA
STOCK
EXCHANGE**

PRESS RELEASE

PR. No. 276/2017

**PBC LIMITED (PBC) -
THIRD QUARTER RESULTS – JUNE 2017**

PBC has released its unaudited Consolidated Financial Statements for the third quarter ending June 30, 2017 as per the attached.

Issued at Accra, this 1st
day of August, 2017.

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att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, PBC
4. NTHC (Registrars for PBC shares)
5. SEC
6. GSE Council Member
7. GSE Notice Board

For enquiries, contact:

Head of Listings, GSE on 0302 669908, 669914, 669935

**JEB*



PBC LIMITED



UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THIRD QUARTER FOR THE PERIOD ENDING

30TH JUNE, 2017

ADDRESS

PMB, Accra-North
106 Olusengun Obasanjo Way
Dzorwulu Junction

EMAIL

info@pbcgh.com

WEBSITE

www.pbcgh.com

C. DEPRECIATION

Items of property, plant and equipment are measured at Cost less accumulated depreciation and impairment losses.

The estimated rates of depreciation are as follows:

Buildings	3%
Plant and Machinery	20%
Motor Vehicles	20%
Operational Vehicles	10%
Furniture and Equipment	20%

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

D. INTANGIBLE ASSETS

Software acquired by the Company is stated at cost less accumulated impairment losses.

E. INVENTORIES

Inventories are measured at the lower of cost and net realisable value.

F. TRADE AND OTHER RECEIVABLES

Trade receivables are stated at amortised costs, less impairment losses. Specific allowance for doubtful debts are made for receivables of which recovery is doubtful. Other receivables are stated at their cost less impairment losses.

G. CASH AND CASH EQUIVALENTS

Cash and Cash equivalents comprise Cash on hand and bank balances and these are carried at amortised Cost in the balance sheet.

H. REVENUE

(i) Sale of goods

Revenue from the Sale of goods is measured at the fair value of the consideration received or receivable net of returns, trade discounts, taxes and volume rebates and is recognised when the significant risk and rewards of the ownership have been transferred to the buyer.

PBC LIMITED
CONSOLIDATED INCOME STATEMENT
THIRD QUARTER ENDED 30TH JUNE , 2017

INCOME STATEMENT	NOTE	GROUP 2017 GH¢	COMPANY 2017 GH¢	COMPANY 2016 GH¢
Revenue	4	2,304,776,645	2,297,302,691	1,811,639,602
Cost of Sales		(2,071,029,244)	(2,067,361,745)	(1,616,010,285)
Gross Profit		233,747,401	229,940,946	195,629,317
Other Income	6	3,682,887	3,682,887	3,988,379
Direct Operating Expenses		(63,780,939)	(63,780,939)	(59,386,597)
General and Administrative Expenses	5	(49,404,175)	(43,873,068)	(44,835,740)
Operating profit before financing cost		124,245,174	125,969,826	95,395,359
Net Finance Expenses	7	108,420,273	(108,369,560)	(79,688,405)
Profit/(Loss) before Taxation		15,824,901	17,600,266	15,706,954
Income Tax Expense	8a	(3,956,225)	(4,400,067)	(3,926,739)
Profit/(Loss) for the period transferred to Income Surplus Account		<u>11,868,676</u>	<u>13,200,199</u>	<u>11,780,215</u>
INCOME SURPLUS ACCOUNT		2017 GH¢	2017 GH¢	2016 GH¢
Balance at 1 October		(18,655,501)	(14,117,856)	1,806,310
Net Profit for the period		11,868,676	13,200,199	11,780,215
Balance at 30 June		<u>(6,786,825)</u>	<u>(917,657)</u>	13,586,525

The Financial statements do not contain any untrue statement, misleading facts or omitted material facts to the best of our knowledge.

SIGN

NANA AGYENIM BOATENG I
AG. CHIEF EXECUTIVE OFFICER

SIGN

JOSEPH OSEI-MANU
DEPUTY CEO (FIN & ADMIN)

PBC LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE THIRD QUARTER ENDED 30TH JUNE, 2017

	GROUP 2017 GH c	COMPANY 2017 GH c	COMPANY 2016 GH c
Cash Flows from Operating Activities			
Profit/(loss) before taxation	15,824,901	17,600,266	15,706,954
<u>Adjustment for:</u>			
Depreciation and Amortisation charges	15,739,570	13,100,754	11,578,269
Interest Received	(14,754,407)	(14,754,407)	(1,113,656)
Interest expense	123,174,680	123,123,967	80,802,063
Operating Profit Before Working Capital Changes	139,984,744	139,070,580	106,973,630
Change in inventories	(80,851,072)	(80,655,565)	(45,302,957)
Change in trade and other receivables	(174,451,290)	(175,114,703)	44,192,339
Change in trade and other payables	15,100,749	16,449,082	(9,595,100)
Cash generated from operations	(100,216,869)	(100,250,606)	96,267,912
Income taxes paid	-	-	(19,000)
Net cash flow from operating activities	(100,216,869)	(100,250,606)	96,248,912
Cash flow from investing activities			
Interest Received	14,754,407	14,754,407	1,113,656
Interest paid	(123,174,680)	(123,123,967)	(80,802,063)
Payments to acquire assets	(11,882,415)	(11,829,805)	(22,891,606)
Net Cash used in Investing Activities	(120,302,688)	(120,199,365)	(102,580,013)
Cash flows from Financing Activities			
Short Term Loan	316,961,670	316,961,670	72,489,215
Finance Lease	(1,854,680)	(1,854,680)	(1,055,151)
Medium Term Loan	(2,064,146)	(2,064,146)	1,193,093
Changes in Long Term Loan	777,750	777,750	624,301
Net Cash used in Financing Activities	313,820,594	313,820,594	73,251,458
Net Increase in Cash and Cash equivalents	93,301,037	93,370,623	66,920,357
Cash and Cash equivalents at 1 October	(228,921,000)	(231,664,495)	(167,777,094)
Cash and Cash equivalents at 30 June	(135,619,963)	(138,293,872)	(100,856,737)

Analysis of changes in cash and cash equivalents.

	GH c	Cash Flow GH c	Cash Flow GH c
Cash in Hand and at Bank	5,867,701	5,386,580	26,711,170
Bank overdraft	(258,393,739)	(258,393,739)	(211,229,414)
Short term Investment	116,906,075	114,713,287	83,661,507
	(135,619,963)	(138,293,872)	(100,856,737)

PBC LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED 30TH JUNE, 2017**

GROUP	3	SEGMENT REPORTING	PRODUCE		HAULAGE		SHEANIU		HOTEL		TOTALS	
			2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Class of Business			GHC	GHC	GHC	GHC	GHC	GHC	GHC	GHC	GHC	GHC
Segment Revenue			2,272,522,401	1,793,403,791	24,780,290	16,829,811	1,406,000	7,473,954	2,304,776,645	1,811,639,602		
Segment Cost			(2,053,123,725)	(1,602,347,825)	(14,238,020)	(12,454,060)	(1,208,400)	(3,667,499)	(2,071,029,244)	(1,616,010,285)		
Segment Results			219,398,676	191,055,966	10,542,270	4,375,751	-	3,806,455	233,747,401	195,629,317		
Unallocated expenses									(113,185,114)	(104,222,337)		
Results from Operating activities									120,562,287	91,406,980		
Other Income									3,682,887	3,988,379		
Net Finance Cost									(108,420,273)	(79,688,405)		
Corporate tax expense									(3,956,225)	(3,926,739)		
Profit for the year									11,868,676	11,780,215		
<hr/>												
COMPANY												
3		SEGMENT REPORTING	PRODUCE		HAULAGE		SHEANIU		HOTEL		TOTALS	
Class of Business			2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
			GHC	GHC	GHC	GHC	GHC	GHC	GHC	GHC	GHC	GHC
Segment Revenue			2,272,522,401	1,793,403,791	24,780,290	16,829,811	-	1,406,000	2,297,302,691	1,811,639,602		
Segment Cost			(2,053,123,725)	(1,602,347,825)	(14,238,020)	(12,454,060)	-	(1,208,400)	(2,067,361,745)	(1,616,010,285)		
Segment Results			219,398,676	191,055,966	10,542,270	4,375,751	-	197,600	229,940,946	195,629,317		
Unallocated expenses									(107,654,007)	(104,222,337)		
Results from Operating activities									122,286,939	91,406,980		
Other Income									3,682,887	3,988,379		
Net Finance Cost									(108,369,560)	(79,688,405)		
Corporate tax expense									(3,956,225)	(3,926,739)		
Profit for the year									13,200,199	11,780,215		

PBC LIMITED
NOTE TO THE CONSOLIDATED FINANCIAL STATEMENT
FOR THE THIRD QUARTER ENDED 30TH JUNE, 2017

GROUP

8a TAXATION

Year of Assessment Corporate Tax	Balance at 1 October GH ¢	Payments during the year GH ¢	Charge for the period GH ¢	Balance at 31-Mar GH ¢
Third Quarter 2017	-		3,956,225	3,956,225
	-		3,956,225	3,956,225

8b DEFERRED TAX

	2017	2017	2016
Balance at June 2015	1,460,216	1,166,584	1,725,042

COMPANY

8a TAXATION

Year of Assessment Corporate Tax	Balance at 1 October GH ¢	Payments during the year GH ¢	Charge for the period GH ¢	Balance at 31-Mar GH ¢
Third Quarter 2017	-		4,400,067	4,400,067
	-		4,400,067	4,400,067

8b DEFERRED TAX

	2017	2016
Balance at June 2015	1,166,584	1,725,042

PBC LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED 30TH JUNE, 2017

10 PROPERTY, PLANT AND EQUIPMENT

GROUP	Land and Buildings GH ¢	Plant and Machinery GH ¢	Motor Vehicles GH ¢	Furniture & Fitting GH ¢	Building W.I.P GH ¢	Total GH ¢
COST						
Balance at 1.10.2017	52,544,742	20,134,496	82,348,328	15,067,444	49,975,488	220,070,498
Additions during the period	44,570	1,415,933	-	584,845	9,837,067	11,882,415
Transfer to Asset						-
Balance at 30.06.2017	52,589,312	21,550,429	82,348,328	15,652,289	59,812,555	231,952,913
Depreciation						
Balance at 1.10.2016:	4,765,254	14,315,268	45,845,957	8,964,696	-	73,891,175
Charge for the period	909,283	3,416,867	8,480,030	2,933,390	-	15,739,570
Released on Disposals						
Balance at 30.06.2017	5,674,537	17,732,135	54,325,987	11,898,086	-	89,630,745
Carrying amounts						
At 30.06.17	46,914,775	3,818,294	28,022,341	3,754,203	59,812,555	142,322,168
At 30.06.16						-
COMPANY						
	Land and Buildings GH ¢	Plant and Machinery GH ¢	Motor Vehicles GH ¢	Furniture & Fitting GH ¢	Building W.I.P GH ¢	Total GH ¢
COST						
Balance at 1.10.2017	27,390,609	20,134,496	81,861,573	4,432,682	49,975,488	183,794,848
Additions during the period	44,570	1,415,933	-	532,235	9,837,067	11,829,805
Transfer to Asset						-
Balance at 30.06.2017	27,435,179	21,550,429	81,861,573	4,964,917	59,812,555	195,624,653
Depreciation						
Balance at 1.10.2016:	4,040,313	14,315,268	45,651,696	3,281,854	-	67,289,131
Charge for the period	595,066	3,416,867	8,344,083	744,738	-	13,100,754
Released on Disposals						
Balance at 30.06.2017	4,635,379	17,732,135	53,995,779	4,026,592	-	80,389,885
Carrying amounts						
At 30.06.17	22,799,800	3,818,294	27,865,794	938,325	59,812,555	115,234,768
At 30.06.16	15,885,448	3,854,788	34,704,033	904,974	56,720,317	112,069,560

PBC LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED 30TH JUNE, 2017

	GROUP 2017 GH ¢	COMPANY 2017 GH ¢	COMPANY 2016 GH ¢
12 ACCOUNTS RECEIVABLE			
Trade receivables due from customers	221,912,840	220,934,277	51,010,886
Other receivables	51,382,350	60,082,298	26,671,806
Staff Loans and Advances	4,252,863	4,230,500	3,029,588
Staff Loans Discounted	(225,560)	(225,560)	(205,500)
Prepayments	901,945	890,500	756,700
	<u>278,224,438</u>	<u>285,912,015</u>	<u>81,263,480</u>

- a. Prepayments represent the unexpired portion of certain expenditure spread on time basis.
- b. The maximum amount due from employees of the Company during the period did not exceed GH¢4,252,863

	GROUP 2017 GH ¢	COMPANY 2017 GH ¢	COMPANY 2016 GH ¢
13 SHORT TERM INVESTMENTS			
Call & Fixed Deposits	114,756,075	112,563,287	83,661,507
Treasury Bills	2,150,000	2,150,000	-
	<u>116,906,075</u>	<u>114,713,287</u>	<u>83,661,507</u>
14 CASH AND CASH EQUIVALENTS			
Bank Balances	5,860,161	5,381,040	26,702,670
Cash Balances	7,540	5,540	8,500
	<u>5,867,701</u>	<u>5,386,580</u>	<u>26,711,170</u>
15 ACCOUNTS PAYABLE			
Trade payables	24,458,467	24,282,687	858,800
Non-trade payables and accrued expenses	1,576,740	1,576,500	1,256,500
Accrued Charges	1,293,542	1,265,250	1,565,600
	<u>27,328,749</u>	<u>27,124,437</u>	<u>3,680,900</u>

PBC LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED 30TH JUNE, 2017

	2017 GH ¢	2017 GH ¢	2016 GH ¢
17 SHORT TERM LOANS			
Produce Loan (Seed Fund)	67,078,723	67,078,723	19,423,640
CAL BANK	100,000,000	100,000,000	100,000,000
ECOBANK	-	-	36,666,667
SCB CONSORTIUM	179,947,581	179,947,581	
ZENITH BANK	40,000,000	40,000,000	40,000,000
	<u>387,026,304</u>	<u>387,026,304</u>	<u>196,090,307</u>

SCB Consortium Loan

The Company was granted a loan facility of GH¢ 154 million following a bond issued to a Consortium of banks and pension Funds Institutions led by Standard Chartered Bank. The facility is for a period of twelve months with an interest rate of of 24% per annum fixed over the period.

18 MEDIUM TERM LOAN

SG Ltd	1,907,026	1,907,026	2,980,148
EDAIF	12,112,500	12,112,500	-
NIB	-	-	448,601
SCB Ltd	6,646,066	6,646,066	12,216,192
	<u>20,665,592</u>	<u>20,665,592</u>	<u>15,644,941</u>
Current portion payable within 12 months	3,198,767	3,198,767	2,512,157
Long term portion payable after 12 months	<u>17,466,825</u>	<u>17,466,825</u>	<u>13,132,784</u>

	2017 GH¢	2017 GH¢	2016 GH¢
19 LONG TERM LOAN			
Ghana Cocoa Board	<u>20,062,534</u>	<u>20,062,534</u>	<u>13,722,978</u>

The company was granted a long term loan of US\$3,000,000 by Ghana Cocoa Board for civil works at the Buipe site towards the establishment of the PBC Shea Ltd. A subsidiary of the Company.

The facility is for a period of eight years with a two year moratorium, and it is secured by Cocoa Taken Over receivables. Interest rate is at 8.5% on reducing balance basis.

Similarly, the Company guaranteed a long term loan facility of \$7,000,000 from Ghana Cocoa Board on behalf of PBC Shea Ltd, for the acquisition of a processing plant for the Buipe Shea factory.

The facility is for a period of eight years with a two year moratorium, and it is secured by Cocoa Taken Over receivables, butter proceeds from the factory and take over of plants and equipments of PBC Shea Ltd. Interest rate is at 8.5% on reducing balance basis.

20 INVESTMENT IN SUBSIDIARIES

PBCLTD has invested a total amount of about GHC69.806 million in its two subsidiaries, namely Buipe Shea Nut Company and Golden Bean Hotel. The Buipe Shea Nut Factory is a state of an art factory established to process sheanut into shea butter for export. It is located at Buipe in the Central Gonja District.

The Golden Bean Hotel is a 50 Room hospitality facility located at Nyiaeso in the Kumasi Metropolis. These investments were carried out as part of the Companies desire to diversify its revenue base.

The breakdown of the investment is as follows;

	2017 GH¢	2017 GH¢	2016 GH¢
Buipe SheaNut Factory	37,555,596	37,555,596	37,555,596
Golden Bean Hotel	-	32,250,000	32,250,000
	<u>37,555,596</u>	<u>69,805,596</u>	<u>69,805,596</u>

PBC LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED 30TH JUNE, 2017

22 STATED CAPITAL

GROUP	2016		2015	
	No. of Shares	Proceeds GH¢	No. of Shares	Proceeds GH¢
a Ordinary shares				
Authorised Ordinary Shares of no par value	<u>20,000,000,000</u>		<u>20,000,000,000</u>	
Issued and fully paid				
For cash	2,005,000	1,586,800	2,005,000	1,586,800
For consideration other than cash	477,995,000	13,413,200	477,995,000	13,413,200
	<u>480,000,000</u>	<u>15,000,000</u>	<u>480,000,000</u>	<u>15,000,000</u>

The holders of the ordinary shares are entitled to receive dividend declared from time to time and are entitled to one vote per share at meetings of the company.

b Preference shares	No. of Shares	Proceeds	No. of Shares	Proceeds
No. of preference shares	<u>1</u>	<u>100</u>	<u>1</u>	<u>100</u>
Total stated capital		<u>15,000,100</u>		<u>15,000,100</u>

The preference shares are redeemable (golden cocoa share) allotted to the Ministry of Finance on behalf of Government of Ghana.

COMPANY	2016		2015	
	No. of Shares	Proceeds GH¢	No. of Shares	Proceeds GH¢
a Ordinary shares				
Authorised Ordinary Shares of no par value	<u>20,000,000,000</u>		<u>20,000,000,000</u>	
Issued and fully paid				
For cash	2,005,000	1,586,800	2,005,000	1,586,800
For consideration other than cash	477,995,000	13,413,200	477,995,000	13,413,200
	<u>480,000,000</u>	<u>15,000,000</u>	<u>480,000,000</u>	<u>15,000,000</u>

The holders of the ordinary shares are entitled to receive dividend declared from time to time and are entitled to one vote per share at meetings of the company.

b Preference shares	No. of Shares	Proceeds	No. of Shares	Proceeds
No. of preference shares	<u>1</u>	<u>100</u>	<u>1</u>	<u>100</u>
Total stated capital		<u>15,000,100</u>		<u>15,000,100</u>

The preference shares are redeemable (golden cocoa share) allotted to the Ministry of Finance on behalf of Government of Ghana.