



**GHANA
STOCK
EXCHANGE**

PRESS RELEASE

PR. No 001/2017

**PZ CUSSONS (GHANA) LIMITED (PZ) -
FINANCIAL STATEMENTS FOR THE
HALF YEAR ENDING NOVEMBER 2016**

PZ has released its un-audited Financial Statements for the half year ending November 30, 2016 as per the attached.

Issued in Accra, this 3rd
day of January, 2017.

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att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, PZ
4. MBG Registrars (Registrars for PZ shares)
5. Central Securities Depository Ghana Limited
6. SEC
7. GSE Council Members
8. GSE Notice Board

For enquiries, contact:

General Manager/Head of Listings, GSE on 0302 669908, 669914, 669935

**JEB*

PZ CUSSONS GHANA LIMITED

UNAUDITED RESULTS FOR THE 6 MONTHS ENDED 30TH NOVEMBER, 2016



Qtr2 saw a decline in the topline performance resulting in a 20% decrease for the half year over the comparative prior year period . This was as a result of system change which impacted on our process.

Profit before tax shows an increase versus prior year. This was impacted by the stability of the cedi and also effective control of overhead cost in the first quarter and part of the second quarter of the year.

Half year operating profit increased versus prior year period as a result of further cost control measures put in place to reduce operational cost

Cash position though improved, remained tight due to the peak sales season stock build and pending payment of imported bills due . We forecast a return to more normal cash and stock position during Q4.

Though the current economic environment pose challenges, we remain optimistic for continued growth due to our focus on core brands, distribution and margin improvement.

Our business growth plans are in line with our expectations as we continue to take the required action to address the external factors that affect our long term delivery of shareholder value.

(UNAUDITED) STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 TH NOVEMBER 2016.		
	YEAR TO DATE 30/11/2016 GH¢000	YEAR TO DATE 30/11/2015 GH¢000
Revenue	48,942	61,522
Cost of sales	(39,042)	(43,168)
Gross profit	9,900	18,354
Distributing Costs	(7,452)	(16,154)
Administrative Costs	(2,966)	(4,864)
Operating profit	(519)	(2,664)
Other Income	329	208
Profit before finance income	(190)	(2,456)
Finance Cost	(151)	(865)
Profit before exceptional item and income tax	(341)	(3,321)
Exceptional Item	(2,400)	1,086
Profit after exceptional item but before income tax	(2,741)	(2,235)
Income tax expense	-	(1,686)
Profit after income tax for the period transferred to the income surplus account	(2,741)	(3,921)
Attributable to:		
Equity shareholders	(2,741)	(3,921)
Earnings per share	(0.0163)	(0.0233)
(UNAUDITED) INCOME SURPLUS ACCOUNT FOR THE SIX MONTHS 30TH NOVEMBER, 2015.		
	2016 GH¢	2015 GH¢
At 1st June	30,238	31,087
Transferred from Income Statement	(2741)	(3921)
Dividend	-	-
At 30th November	27,497	27,166

(UNAUDITED) STATEMENT OF FINANCIAL POSITION AS AT 30 TH NOVEMBER 2016.		
	YEAR TO DATE 30/11/2016 GH¢000	YEAR TO DATE 30/11/2015 GH¢000
Assets		
Non-current assets		
Property, plant & equipment	10,423	11,917
Provisions for liabilities & charges		2,084
Finance lease receivables	1,445	1,284
Investments	1,405	1,405
Investments Property	25,251	
	38,523	16,690
Current assets		
Inventories	26,000	38,108
Finance lease receivables	1,456	1,294
Current Income Tax	-	0
Trade and other receivables	29,954	42,854
Cash and Bank	15,283	10,456
	72,693	92,713
Total assets	111,217	109,403
Capital and Surplus		
Stated Capital	2,160	2,160
Capital surplus account	3,466	3,466
Income surplus account	27,497	24,423
Equity attributable to owners of the parent	33,123	30,048
Liabilities		
Deffered Income Tax Liability	4,745	1,733
Provision for liabilities and charges	2,333	0
Non-current liabilities	7,078	1,733
Trade and other payables	47,516	54,375
Borrowings	20,865	20,690
Current tax liabilities	-	222.72
Dividend payable	2,634	2,334
Current liabilities	71,016	77,622
Total equity and liabilities	111,217	109,403
Oluwasegun Agbekeye		David Afflu
Head of Finance		Business Unit Director

(UNAUDITED) STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 TH NOVEMBER 2016.		
	YEAR TO DATE 30/11/2016 GH¢000	YEAR TO DATE 30/11/2015 GH¢000
Cash flow from operating activities		
Cash generated from operations	10,012	7,804
Interest Paid	(151)	(865)
Income Tax Paid	-	(1,260)
Net cash generated from operating activities	9,861	5,679
Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	490	
Purchase of property, plant and equipment	(660)	(716)
Net cash used in investing activities	(170)	(716)
Cash flow from financing activities		
Finance lease drawdown	1,060	-
Finance lease repaid	(1,656)	(247)
	(596)	(247)
Net increase/(decrease) in cash and cash equivalents	9,094	4,716
Cash and cash equivalents at 1st June	6,190	4,545
Cash and cash equivalents at 30 th November	15,283	9,261

THE FINANCIAL STATEMENTS DO NOT CONTAIN UNTRUE STATEMENTS, MISLEADING FACTS OR OMIT MATERIAL FACTS TO THE BEST OF OUR KNOWLEDGE.

PZ CUSSONS GHANA LIMITED

UNAUDITED RESULTS FOR THE 6 MONTHS ENDED 30TH NOVEMBER, 2016

FINANCIAL HIGHLIGHTS

GH¢	YEAR TO DATE 30/11/2016	YEAR TO DATE 30/11/2015	% CHANGE
TURNOVER	48,942,254	61,522,063	(20)
OPERATING PROFIT	(518,728)	(2,664,231)	(81)
PROFIT BEFORE INCOME TAX	(340,834)	(3,321,328)	90
PROFIT AFTER INCOME TAX	(2,740,910)	(3,921,328)	(30)
OPERATING CASH FLOW	9,860,600	5,679,218	74
SHAREHOLDER FUND	33,122,642	30,048,495	10.2
EARNINGS PER SHARE	(0.0163)	(0.0233)	(30)
PBT MARGIN(%)	(0.7)	(5.4)	87
PAT MARGIN(%)	(5.6)	(6.4)	(12)

Qtr2 saw a decline in the topline performance resulting in a 20% decrease for the half year over the comparative prior year period . This was as a result of system change which impacted on our process.

Profit before tax shows an increase versus prior year. This was impacted by the stability of the cedi and also effective control of overhead cost in the first quarter and part of the second quarter of the year.

Half year operating profit increased versus prior year period as a result of further cost control measures put in place to reduce operational cost

Cash position though improved, remained tight due to the peak sales season stock build and pending payment of imported bills due . We forecast a return to more normal cash and stock position during Q4.

Though the current economic environment pose challenges, we remain optimistic for continued growth due to our focus on core brands, distribution and margin improvement.

Our business growth plans are in line with our expectations as we continue to take the required action to address the external factors that affect our long term delivery of shareholder value.



James Berkeley Judson
Managing Director



David Afflu
Business Unit Director

PZ CUSSONS GHANA LTD

(UNAUDITED) STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30TH NOVEMBER, 2016.

	YEAR TO DATE 30/11/2016 GH¢	YEAR TO DATE 30/11/2015 GH¢
Revenue	48,942,254	61,522,063
Cost of sales	<u>(39,042,442)</u>	<u>(43,167,961)</u>
Gross profit	9,899,812	18,354,102
Distributing Costs	(7,452,095)	(16,154,333)
Administrative Costs	<u>(2,966,446)</u>	<u>(4,864,000)</u>
Operating profit	(518,728)	(2,664,231)
Other Income	<u>328,956</u>	<u>207,912</u>
Profit before finance cost	(189,773)	-2,456,319
Finance Cost	<u>(151,061)</u>	<u>(865,009)</u>
Profit before exceptional item and income tax	(340,834)	(3,321,328)
Exceptional Item	<u>(2,400,076)</u>	<u>1,086,000</u>
Loss after exceptional item but before income tax	(2,740,910)	(2,235,328)
Income tax expense		(1,686,000)
Profit after income tax for the period transferred to the income surplus account	<u><u>(2,740,910)</u></u>	<u><u>(3,921,328)</u></u>
Attributable to: Equity shareholders	<u><u>(2,740,910)</u></u>	<u><u>(3,921,328)</u></u>
Earnings per share (diluted post 5 for 1 bonus share Issue)	<u><u>(0.0163)</u></u>	<u><u>(0.0233)</u></u>

(UNAUDITED) INCOME SURPLUS ACCOUNT FOR THE SIX MONTHS ENDED 30TH NOVEMBER, 2015.

	2016 GH¢	2015 GH¢
At 1st June	30,237,977	31,086,997
Transferred from Income Statement	(2,740,910)	(3,921,328)
At 30 NOVEMBER	<u><u>27,497,068</u></u>	<u><u>27,165,669</u></u>

PZ CUSSONS GHANA LTD

(UNAUDITED) STATEMENT OF FINANCIAL POSITION AS AT 30TH NOVEMBER, 2015.

	YEAR TO DATE 30/11/2016 GH¢	YEAR TO DATE 30/11/2015 GH¢
Assets		
Non-current assets		
Property, plant & equipment	10,422,825	11,917,351
Finance lease receivables	1,444,590	1,283,809
Investments	1,405,271	1,405,271
Investments Property	25,250,801	0
Provisions for liabilities & charges		2,083,704
	<u>38,523,487</u>	<u>16,690,135</u>
Current assets		
Inventories	25,999,534	38,108,118
Finance lease receivables	1,456,193	1,294,120
Current Income Tax		
Trade and other receivables	29,953,960	42,854,178
Cash and Bank	15,283,356	10,456,356
	<u>72,693,044</u>	<u>92,712,772</u>
Total assets	<u>111,216,531</u>	<u>109,402,907</u>
Equity attributable to owners of the parent		
Stated Capital	2,160,000	2,160,000
Capital surplus account	3,465,574	3,465,574
Income surplus account	27,497,068	24,422,921
	<u>33,122,642</u>	<u>30,048,495</u>
Liabilities		
Non-current liabilities		
Borrowings	0	1,732,800
Deffered Income Tax Liability	4,744,833	0
	<u>4,744,833</u>	<u>1,732,800</u>
Current liabilities		
Trade and other payables	47,516,235	54,374,640
Borrowings	20,865,461	20,690,088
Current tax liabilities	0	222,718
Dividend payable	2,634,229	2,334,166
Provision for Other Liabilities	2,333,132	-
Total liabilities	<u>73,349,056</u>	<u>77,621,612</u>
	78,093,889	79,354,412
Total equity and liabilities	<u>111,216,531</u>	<u>109,402,907</u>
	(0)	-

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MISLEADING FACTS OR OMIT MATERIAL FACTS TO THE BEST OF OUR KNOWLEDGE.



Oluwasegun Agbekeye
Head of Finance



David Afflu
Business Unit Director

PZ CUSSONS GHANA LTD

(UNAUDITED) STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30TH NOVEMBER, 2016.

	YEAR TO DATE 30/11/2016 GH¢	YEAR TO DATE 30/11/2015 GH¢
Cash flow from operating activities		
cash generated from operations	10,011,661	7,804,307
Interest Paid	# (151,061)	(865,009)
Income tax paid		(1,260,080)
Net cash generated from/(used in) operating activities	<u>9,860,600</u>	<u>5,679,218</u>
Cash flow from investing activities		
Dividend received	0	
Purchase of property, plant and equipment	(660,492)	(716,000)
Proceeds from sale of property, plant and equipment	490,030	
Net cash generated used in investing activities	<u>(170,462)</u>	<u>(716,000)</u>
Cash flow from financing activities		
Finance lease drawdown	1,059,826	
Finance lease repaid	(1,656,111)	(247,376)
	<u>(596,285)</u>	<u>(247,376)</u>
Net increase/(decrease) in cash and cash equivalents	9,093,853	4,715,842
Cash and cash equivalents at 1st June	<u>6,189,503</u>	<u>5,740,514</u>
Cash and cash equivalents at 30th Nov	<u><u>15,283,356</u></u>	<u><u>10,456,356</u></u>

PZ CUSSONS GHANA LTD

(UNAUDITED) STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 30th November 2016:

AUGUST 2016	<u>stated Capital GH¢</u>	<u>Capital Surplus Account GH¢</u>	<u>Income Surplus Account GH¢</u>	<u>Total GH¢</u>
At 1 June 2016	2,160,000	3,465,574	30,237,977	35,863,551
Comprehensive Income:				
Profit or Loss			(2,740,910)	(2,740,910)
Total Comprehension Income			(2,740,910)	(2,740,910)
At Nov 2016	2,160,000	3,465,574	27,497,068	33,122,642
November 2015				
At 1st June 2015	2,160,000	3,465,574	28,344,249	33,969,823
Comprehensive Income:				
Profit or Loss			(3,921,328)	(3,921,328)
Total Comprehension Income			(3,921,328)	(3,921,328)
Transaction with owners:				
Dividend 2015				-
At 30th Nov 2014	2,160,000	3,465,574	24,422,921	30,048,495

