

**GHANA
STOCK
EXCHANGE**

PRESS RELEASE

PR. No 013/2016

**PZ CUSSONS (GHANA) LIMITED (PZ) -
FINANCIAL STATEMENTS FOR THE
HALF YEAR ENDING NOVEMBER 2015**

PZ has released its un-audited Financial Statements for the half year ending November 30, 2015 as per the attached.

Issued in Accra, this 20th
day of January, 2016.

- E N D -

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, 2015

FINANCIAL HIGHLIGHTS

GH¢	YEAR TO DATE	YEAR TO DATE	% CHANGE
	30/11/2015	30/11/2014	
TURNOVER	61,522,063	57,892,256	6
OPERATING PROFIT	(2,664,231)	414,165	(743)
PROFIT BEFORE INCOME TAX	(3,321,328)	(1,310,849)	(153)
PROFIT AFTER INCOME TAX	(3,921,328)	25,406	(15,535)
OPERATING CASH FLOW	5,679,218	6,773,926	(16)
SHAREHOLDER FUND	30,048,495	36,737,977	(18.2)
EARNINGS PER SHARE	(0.0233)	0.0002	(15,535)
PBT MARGIN(%)	(5.4)	(2.3)	(138)
PAT MARGIN(%)	(6.4)	0.0	(14,624)

Qtr2 saw further improvement in the topline performance resulting in a 6% increase for the half year over the comparative prior year period. This was a result of the continued focus on our key brands.


Profit before tax shows a decline versus prior year. This was impacted by the sharp & continuous devaluation of the cedi and also increase in actual material cost in the first quarter and part of the second quarter of the year.

Half year operating profit declined versus comparative prior year period as a result of further investment in distribution costs in order to improve sales by focusing on planned activities for key brands.

Cash position though improved, remained tight due to the peak sales season stock build and accelerated payment of imported bills due to currency devaluation. 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 LIMITED
UNAUDITED RESULTS FOR THE 6 MONTHS ENDED 30TH NOVEMBER, 2015

Qtr2 saw further improvement in the headline performance, resulting in a 6% increase for the half year over the comparative prior year period. This was a result of the continued focus on our key brands.

Profit before tax shows a decline versus prior year. This was impacted by the sharp & continuous devaluation of the cedi and also increase in actual material cost in the first quarter and part of the second quarter of the year.

Half year operating profit declined versus comparative prior year period as a result of further investment in distribution costs in order to improve sales by focusing on planned activities for key brands.

Cash position though improved, remained tight due to the peak sales season stock build and accelerated payment of imported bills due to currency devaluation. 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.

	YEAR TO DATE 30/11/2015 GH¢000	YEAR TO DATE 30/11/2014 GH¢000
Revenue	61,522	57,827
Cost of sales	(43,183)	(32,432)
Gross profit	18,339	18,476
Distributing Costs	(16,194)	(9,669)
Administrative Costs	(4,864)	(4,273)
Operating profit	(2,664)	414
Profit before Finance Income	(2,664)	758
Finance Cost	(865)	(2,058)
Profit before exceptional item and income tax	(3,529)	(1,311)
Exceptional item	1,086	1,365
Profit after exceptional item but before income tax	(2,443)	54
Income tax expense	(1,688)	(8)
Profit after income tax for the period transferred to the income surplus account	(4,131)	25
Attributable to:		
Equity shareholders	(3,921)	25
Earnings per share	(0.0233)	0.0001

	YEAR TO DATE 30/11/2015 GH¢000	YEAR TO DATE 30/11/2014 GH¢000
Assets		
Non-current assets		
Property, plant & equipment	1,972	10,781
Finance lease receivables	1,184	676
Investments	1,405	1,405
Provisions for liabilities & charges	(2,624)	
Current assets		
Inventories	38,108	33,928
Finance lease receivables	1,294	681
Current income tax	42,854	0
Trade and other receivables	10,456	37,422
Cash and Bank	92,273	981
Total assets	109,401	85,873
Capital and Surplus	2,160	2,160
Seated Capital	3,466	3,466
Capital surplus account	34,473	31,152
Income surplus account	30,492	36,285
Equity attributable to owners of the parent	70,291	73,063
Liabilities		
Borrowings	1,733	944
Provision for liabilities and charges	0	178
Non-current liabilities	1,733	1,122
Trade and other payables	5,425	32,555
Borrowings	20,690	17,845
Current tax liabilities	225	179,516
Dividend payable	2,336	2,336
Current liabilities	27,622	48,074
Total equity and liabilities	109,401	85,873

James Berkeley Hudson
 Managing Director

David Afifi
 Business Unit Director

	YEAR TO DATE 30/11/2015 GH¢000	YEAR TO DATE 30/11/2014 GH¢000
Cash flow from operating activities		
Cash generated from operations	7,804	6,348
Interest Paid	(1,865)	
Income Tax Paid	(1,260)	(74)
Net cash generated from operating activities	5,879	6,274
Cash flow from investing activities		
Cash flow from investing activities	(716)	(720)
Purchase of property, plant and equipment	(716)	(720)
Net cash used in investing activities	(716)	(720)
Cash flow from financing activities		
Cash flow from financing activities	(447)	(611)
Finance lease drawdown	(447)	(611)
Finance lease repaid		
Net increase/(decrease) in cash and cash equivalents	4,716	5,413
Cash and cash equivalents at 1st June	5,791	4,545
Cash and cash equivalents at 30 th November	10,507	9,958

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

PZ CUSSONS GHANA LTD

(UNAUDITED) STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30TH NOVEMBER, 2015.

	YEAR TO DATE 30/11/2015 GH¢	YEAR TO DATE 30/11/2014 GH¢	
Revenue	61,522,063	57,892,256	6%
Cost of sales	<u>(43,167,961)</u>	<u>(39,416,321)</u>	10%
Gross profit	18,354,102	18,475,935	-1%
Distributing Costs	(16,154,333)	(13,988,708)	15%
Administrative Costs	<u>(4,864,000)</u>	<u>(4,073,062)</u>	19%
Operating profit	(2,664,231)	414,165	
Other Income	<u>207,912</u>	<u>343,344</u>	
Profit before finance cost	(2,456,319)	757,509	
Finance Cost	<u>(865,009)</u>	<u>(2,068,358)</u>	
Profit before exceptional item and income tax	(3,321,328)	(1,310,849)	
Exceptional Item	<u>1,086,000</u>	<u>1,344,724</u>	
Loss after exceptional item but before income tax	(2,235,328)	33,875	
Income tax expense	(1,686,000)	(8,469)	
Profit after income tax for the period transferred to the income surplus account	<u>(3,921,328)</u>	<u>25,406</u>	
Attributable to: Equity shareholders	<u>(3,921,328)</u>	<u>25,406</u>	
Earnings per share (diluted post 5 for 1 bonus share Issue)	<u>(0.0233)</u>	<u>0.0002</u>	

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

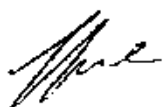
	2015 GH¢	2014 GH¢
At 1st June	28,344,249	31,086,997
Transferred from Income Statement	(3,921,328)	25,406
At 30 NOVEMBER	<u>24,422,921</u>	<u>31,112,403</u>

PZ CUSSONS GHANA LTD

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

	YEAR TO DATE 30/11/2015 GH¢	YEAR TO DATE 30/11/2014 GH¢
Assets		
Non-current assets		
Property, plant & equipment	11,917,351	10,780,520
Finance lease receivables	1,283,809	675,516
Investments	1,405,271	1,405,271
Provisions for liabilities & charges	2,083,704	-
	<u>16,690,135</u>	<u>12,861,307</u>
Current assets		
Inventories	38,108,118	33,927,809
Finance lease receivables	1,294,120	680,756
Current Income Tax		
Trade and other receivables	42,854,178	37,421,856
Cash and Bank	10,456,356	981,123
	<u>92,712,772</u>	<u>73,011,544</u>
Total assets	<u><u>109,402,907</u></u>	<u><u>85,872,852</u></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	24,422,921	31,112,403
	<u>30,048,495</u>	<u>36,737,977</u>
Liabilities		
Non-current liabilities		
Borrowings	1,732,800	943,998
Provision for liabilities and charges	-	177,639
	<u>1,732,800</u>	<u>1,121,637</u>
Current liabilities		
Trade and other payables	54,374,640	27,554,926
Borrowings	20,690,088	17,844,582
Current tax liabilities	222,718	279,564
Dividend payable	2,334,166	2,334,166
	<u>77,621,612</u>	<u>48,013,238</u>
Total liabilities	<u>79,354,412</u>	<u>49,134,875</u>
Total equity and liabilities	<u><u>109,402,907</u></u>	<u><u>85,872,852</u></u>

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



James Berkeley Judson
Managing Director



David Afflu
Business Unit Director

PZ CUSSONS GHANA LTD

(UNAUDITED) STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30TH NOVEMBER, 2015.

	YEAR TO DATE 30/11/2015 GH¢	YEAR TO DATE 30/11/2014 GH¢
Cash flow from operating activities		
cash generated from operations	7,804,307	6,847,914
Interest Paid	(865,009)	
Income tax paid	(1,260,080)	(73,988)
Net cash generated from/(used in) operating activities	<u>5,679,218</u>	<u>6,773,926</u>
Cash flow from investing activities		
Dividend received		
Purchase of property, plant and equipment	(716,000)	(749,735)
Proceeds from sale of property, plant and equipment		
Net cash generated used in investing activities	<u>(716,000)</u>	<u>(749,735)</u>
Cash flow from financing activities		
Finance lease drawdown		
Finance lease repaid	(247,376)	(611,074)
	<u>(247,376)</u>	<u>(611,074)</u>
Net increase/(decrease) in cash and cash equivalents	4,715,842	5,413,117
Cash and cash equivalents at 1st June	5,740,514	(4,431,995)
Cash and cash equivalents at 30th Nov	<u>10,456,356</u>	<u>981,123</u>

PZ CUSSONS GHANA LTD

(UNAUDITED) STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 30th November 2015:

AUGUST 2015	stated Capital GH¢	Capital Surplus Account GH¢	Income Surplus Account GH¢	Total GH¢
At 1 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)
At Nov 2015	2,160,000	3,465,574	24,422,921	30,048,495
November 2014				
At 1st June 2014	2,160,000	3,465,574	31,086,997	36,712,571
Comprehensive Income:				
Profit or Loss			25,406	25,406
Total Comprehension Income			25,406	25,406
Transaction with owners:				
Dividend 2014				-
At 30th Nov 2014	2,160,000	3,465,574	31,112,403	36,737,977