

**GHANA
STOCK
EXCHANGE**

PRESS RELEASE

PR. No 300/2014

**PZ CUSSONS (GHANA) LIMITED (PZC) -
UN-AUDITED FINANCIAL STATEMENTS FOR THE
FIRST QUARTER ENDING AUGUST 2014**

PZC has released its un-audited Financial Statements for the first quarter ending August 31, 2014 as per the attached.

Issued in Accra, this 14th
day of October, 2014

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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
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 3 MONTHS ENDED 31ST AUGUST, 2014

FINANCIAL HIGHLIGHTS

GHC	YEAR TO DATE 30/08/2014	YEAR TO DATE 31/08/2013	% CHANGE
TURNOVER	27,932,819	21,848,504	28
OPERATING PROFIT	(3,899,039)	(624,279)	525
PROFIT BEFORE INCOME TAX	(4,259,090)	(280,943)	1,416
PROFIT AFTER INCOME TAX	(4,259,090)	(280,943)	1,416
OPERATING CASH FLOW	4,700,531	1,478,026	218
SHAREHOLDER FUND	32,453,481	38,907,908	(16.6)
EARNINGS PER SHARE	(0.025)	(0.002)	1,416
PBT MARGIN(%)	(15.2)	(1.3)	1,086
PAT MARGIN(%)	(15.2)	(1.3)	1,086

Quarter 1 saw a continuation of the top line growth recorded during the previous half year - resulting in a 28% improvement from the comparative prior year period. This was a result of continued strong brand building activities and new product introductions.

On operating profit however, the business delivered a loss of €3.9mIn predominantly due to impact of exchange losses. Throughout Quarter 1, market conditions saw high volatility in exchange rates (over 25% devaluation in the Quarter) influencing demand and putting pressure on margins.

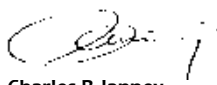
Loss recorded for the quarter before tax was €4.2mIn compared to €0.3mIn during Q1 last year. Both years have been affected by exchange losses with the loss in the current year significantly greater than the prior year.

We remain cautiously optimistic for continued growth as our focus on core brands, distribution and margin improvement all continue to deliver results. These gains will continue to be impacted by the external pressures of Ghana Cedi devaluation and other macro pressures from higher inflation, the impact on consumer confidence & demand from recent increases in utility prices and the

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



James Berkeley Judson
Managing Director



Charles B Janney
Corporate Affairs Director

PZ CUSSONS GHANA LTD

(UNAUDITED) STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31ST AUGUST, 2014.

	YEAR TO DATE 30/08/2014 GH¢	YEAR TO DATE 31/08/2013 GH¢
Revenue	27,932,819	21,848,504
Cost of sales	<u>(23,408,408)</u>	<u>(15,615,519)</u>
Gross profit	4,524,411	6,232,985
Distributing Costs	(6,361,764)	(5,222,309)
Administrative Costs	<u>(2,061,686)</u>	<u>(1,634,955)</u>
Operating profit	(3,899,039)	(624,279)
Other Income	<u>422,021</u>	<u>385,244</u>
Profit before finance cost	(3,477,018)	(239,035)
Finance Cost	<u>(782,071)</u>	<u>(41,908)</u>
Profit before income tax	(4,259,090)	(280,943)
Income tax expense		-
Profit after income tax for the period transferred to the income surplus account	<u>(4,259,090)</u>	<u>(280,943)</u>
Attributable to: Equity shareholders	<u>(4,259,090)</u>	<u>(280,943)</u>
Earnings per share (diluted post 5 for 1 bonus share Issue)	<u>(0.025)</u>	<u>(0.002)</u>

(UNAUDITED) INCOME SURPLUS ACCOUNT FOR THE THREE MONTHS ENDED 31ST AUGUST, 2014.

	2014 GH¢	2013 GH¢
At 1st June	31,086,997	33,563,277
Transferred from Income Statement	(4,259,090)	(280,943)
Dividend		-
At 31 August	<u>26,827,907</u>	<u>33,282,334</u>

PZ CUSSONS GHANA LTD

(UNAUDITED) STATEMENT OF FINANCIAL POSITION AS AT 31ST AUGUST, 2014.

	YEAR TO DATE 30/08/2014 GH¢	YEAR TO DATE 31/08/2013 GH¢
Assets		
Non-current assets		
Property, plant & equipment	10,999,710	9,499,270
Finance lease receivables	923,019	501,354
Investments	1,405,271	1,405,271
Provisions for liabilities & charges		-
	<u>13,328,000</u>	<u>11,405,895</u>
Current assets		
Inventories	28,106,989	25,511,849
Finance lease receivables	708,390	501,955
Current Income Tax	793,028	265,607
Trade and other receivables	38,800,644	37,154,175
Cash and Bank	119,401	5,796,206
	<u>68,528,452</u>	<u>69,229,792</u>
Total assets	<u><u>81,856,453</u></u>	<u><u>80,635,687</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	26,827,907	33,282,334
	<u>32,453,481</u>	<u>38,907,908</u>
Liabilities		
Non-current liabilities		
Borrowings	1,092,523	544,256
Provision for liabilities and charges	177,639	1,024,689
	<u>1,270,161</u>	<u>1,568,945</u>
Current liabilities		
Trade and other payables	44,854,052	36,793,077
Borrowings	944,593	1,728,961
Dividend payable	2,334,165	1,636,796
	<u>48,132,810</u>	<u>40,158,834</u>
Total liabilities	<u>49,402,971</u>	<u>41,727,779</u>
Total equity and liabilities	<u><u>81,856,453</u></u>	<u><u>80,635,687</u></u>

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



James Berkeley Judson
Managing Director



Charles B Janney
Corporate Affairs Director

PZ CUSSONS GHANA LTD

(UNAUDITED) STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31ST AUGUST, 2014.

	YEAR TO DATE 30/08/2014 GH¢	YEAR TO DATE 31/08/2013 GH¢
Cash flow from operating activities		
Profit after income tax expense	(4,259,090)	(280,943)
Adjusted for:		
Depreciation charges	409,988	367,447
Income tax expense		10,967
(Increase)/decrease in inventories	(2,278,401)	(677,236)
(Increase)/Decrease in trade and other receivables	6,763,456	(6,481,002)
Increase/(decrease) in trade and other payables	4,861,227	8,496,737
Decrease/(Increase) in finance lease receivables	(14,569)	83,964
Income tax paid		-
Interest Paid	(782,080)	(41,908)
Net cash used in operating activities	4,700,531	1,478,026
Cash flow from investing activities		
Purchase of property, plant and equipment	(149,136)	(142,203)
Proceeds from sale of property, plant and equipment		298,345
Net cash used in investing activities	(149,136)	156,142
Cash flow from financing activities		
Finance lease drawdown		
Finance lease repaid		(382,950)
	-	(382,950)
Net increase/(decrease) in cash and cash equivalents	4,551,395	1,251,218
Cash and cash equivalents at 1st June	(4,431,994)	4,544,988
Cash and cash equivalents at 31st August	119,401	5,796,206