

PRESCO PLC.
Financial statements
For the year end 31 December 2016

Statement of profit or loss and other comprehensive income

	Notes	2016	2015
		N'000	Restated N'000
Revenue	7	15,716,198	10,448,353
Cost of sales	8	<u>(4,404,785)</u>	<u>(3,813,137)</u>
Gross profit		11,311,413	6,635,216
Selling, general and administrative expenses	9	(4,378,794)	(2,940,936)
Distribution expenses		(223,945)	(198,608)
Other gains	10.1	<u>323,146</u>	<u>364,639</u>
Operating profit before changes in fair value of Biological Asset (BA), tax and finance cost		<u>7,031,820</u>	<u>3,860,311</u>
Gain on Biological Asset revaluation	15	24,879,287	1,062,230
Financial costs	11	<u>(684,655)</u>	<u>(707,800)</u>
Profit before tax	12	<u>31,226,452</u>	<u>4,214,741</u>
Income tax expense	13	<u>(9,490,987)</u>	<u>(1,721,146)</u>
Profit for the year		<u>21,735,465</u>	<u>2,493,595</u>
Other Comprehensive Income (OCI)			
Item(s) that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit obligation	22.2	41,034	22,463
Income tax relating to components of OCI (-)		<u>(12,310)</u>	<u>(6,739)</u>
Other comprehensive income, net of tax		<u>28,724</u>	<u>15,724</u>
Total comprehensive income for the year		<u>21,764,189</u>	<u>2,509,319</u>
Earnings Per Share			
Basic (Naira)	30	0.22	0.02
Diluted (Naira)	30	0.22	0.02

The statement of significant accounting policies and notes on pages 9 to 53 form an integral part of these financial statements.

PRESCO PLC.

Financial statements

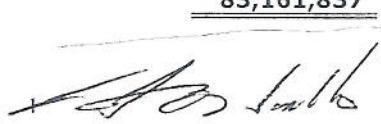
For the year end 31 December 2016

Statement of financial position

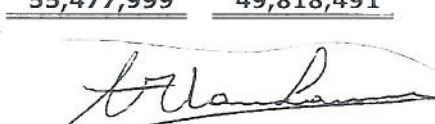
Assets		31 Dec 2016	31 Dec 2015 Restated	1 Jan 2015 Restated
	Notes	N'000	N'000	N'000
Non-current assets				
Intangible assets	14	192,566	183,581	147,933
Biological assets	15	44,920,219	29,291,216	28,297,091
Property, plant and equipment	16	22,444,657	19,990,011	16,993,295
Other non-current assets	17	110	110	110
Total non-current assets		<u>67,557,552</u>	<u>49,464,918</u>	<u>45,438,429</u>
Current assets				
Inventories	18	1,420,597	1,105,632	1,363,929
Biological assets	15	10,502,660	1,252,376	1,184,271
Trade and other receivables	19	1,095,901	2,777,782	1,768,774
Cash and bank balances	20	2,585,128	877,291	63,088
Total current assets		<u>15,604,286</u>	<u>6,013,081</u>	<u>4,380,062</u>
Total assets		<u>83,161,837</u>	<u>55,477,999</u>	<u>49,818,491</u>
Equity and liabilities				
Equity				
Share capital	21	500,000	500,000	500,000
Share premium		1,173,528	1,173,528	1,173,528
Retained earnings		50,358,026	29,622,561	28,128,966
Other reserves		87,448	58,724	43,000
Total equity		<u>52,119,002</u>	<u>31,354,813</u>	<u>29,845,494</u>
Non-current liabilities				
Defined benefit obligation	22	313,445	271,481	234,897
Borrowings	23	4,071,916	4,042,077	2,354,727
Deferred income	25	217,849	224,191	111,787
Obligations under finance leases	26	491,668	521,249	949,480
Deferred tax liabilities	28	20,340,405	12,638,125	11,802,897
Total non-current liabilities		<u>25,435,283</u>	<u>17,697,123</u>	<u>15,453,788</u>
Current liabilities				
Overdrafts	24	791,557	1,514,634	352,722
Borrowings	23	1,097,051	527,721	307,426
Trade and other payables	29	1,699,761	3,356,707	3,397,025
Current tax liabilities	27	1,792,041	905,058	399,453
Obligations under finance leases	26	28,906	27,541	26,883
Deferred income	25	198,235	94,401	35,700
Total current liabilities		<u>5,607,552</u>	<u>6,426,063</u>	<u>4,519,209</u>
Total equity and liabilities		<u>83,161,837</u>	<u>55,477,999</u>	<u>49,818,491</u>



Mr. Pierre Vandebecck
Chairman



Felix Nwabuko
Managing Director
FRC/2016/ICAN/00000014276



Alfons Van Damme
Chief Financial Officer

The statement of significant accounting policies and notes on pages 9 to 53 form an integral part of these financial statements.

PRESCO PLC.
Financial statements
For the year end 31 December 2016

Statement of changes in equity

	Share Capital	Share Premium N	Retained Earnings N	Other Reserves N	TOTAL N
Balance- 1 January 2015 (restated)	500,000	1,173,528	28,128,966	43,000	29,845,494
Profit for the years	-	-	2,493,595	-	2,493,595
Actuarial gain on defined benefit plans	-	-	-	15,724	15,724
Total Comprehensive Income	-	-	2,493,595	15,724	2,509,319
Dividend paid	-	-	(1,000,000)	-	(1,000,000)
Balance - 31 December 2015 (restated)	500,000	1,173,528	29,622,561	58,724	31,354,813
Balance - 1 January 2016	500,000	1,173,528	29,622,561	58,724	31,354,813
Profit for the years	-	-	21,735,465	-	21,735,465
Actuarial gain on defined benefit plans	-	-	-	28,724	28,724
Total Comprehensive Income	-	-	21,735,465	28,724	21,764,189
Dividend paid	-	-	(1,000,000)	-	(1,000,000)
Balance - 31 December 2016	500,000	1,173,528	50,358,026	87,448	52,119,002

By a resolution of the Directors of Presco Plc dated 25 March 2017 it was resolved that a dividend of 150kobo per share amounting to N 1.5billion (2015: N1billion) be recommended for declaration by the members of the Company at the next general meeting of the Company.

PRESCO PLC.
Financial statements
For the year end 31 December 2016

Statement of cash flows

	Notes	2016 N'000	2015 Restated N'000
Profit for the year		21,735,465	2,493,595
Adjustments for:			
-Tax expense	13	9,503,297	1,727,885
-Depreciation and amortization	16	1,246,068	1,107,086
-Actuarial gain for the year		28,724	15,724
-Gain/loss on disposal property plant and equipment -net		204,657	(250)
		<u>32,718,211</u>	<u>5,344,040</u>
Movement in working capital:			
-Decrease in trade and other receivable		1,681,881	(1,009,008)
-Increase in biological assets (current)		(9,250,284)	(68,107)
-Increase in Inventories		(314,965)	258,297
-Decrease in trade and other payable		(1,656,946)	(40,318)
-Increase in finance lease current		(28,215)	(427,573)
-Increase in deferred income	25	90,584	-
		<u>23,240,265</u>	<u>4,057,331</u>
Cash generated from operating activities			
-Increase in retirement benefits	22.2	41,964	36,584
-Tax paid	27	(914,034)	(387,052)
		<u>22,368,195</u>	<u>3,706,863</u>
Net cash generated from operating activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	16	(3,953,446)	(4,211,827)
Additions to biological assets		(15,629,003)	(994,122)
Acquisition of intangibles	14	(8,985)	(35,648)
Proceeds from sale of property, plant and equipment		48,075	108,275
		<u>(19,543,359)</u>	<u>(5,133,322)</u>
Net cash used in investing activities			
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan received during the year		1,211,817	3,828,895
Repayment during the year		(612,648)	(1,921,250)
Dividends paid		(1,000,000)	(1,000,000)
		<u>(393,923)</u>	<u>1,078,751</u>
Net cash (used in)/generated from financing activities			
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT		2,430,914	(347,709)
CASH AND CASH EQUIVALENT AT BEGINNING OF YEAR		<u>(637,343)</u>	<u>(289,634)</u>
CASH AND CASH EQUIVALENT AT END OF YEAR	20	<u>1,793,571</u>	<u>(637,343)</u>