

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Consolidated Statement of Comprehensive Income
Year ended 30 June 2017

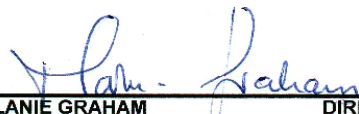
	Note	Period	Y-T-D	Period	Y-T-D
		April - June	Jun-17	April - June	Jun-16
		\$'000	\$'000	\$'000	\$'000
REVENUE	2	299,055	990,137	249,330	909,240
Direct expenses		-227,130	-789,250	-197,764	-728,015
GROSS PROFIT		71,925	200,887	51,566	181,225
Other operating income	3	6,846	12,773	4,107	11,528
Administration expenses		-45,962	-174,964	-42,372	-167,982
OPERATING PROFIT		32,809	38,696	13,301	24,771
Finance costs - interest expense		-405	-1,363	-395	-1,979
PROFIT BEFORE TAXATION		32,404	37,333	12,906	22,792
Taxation		0	0	-6,586	-6,586
NET PROFIT		32,404	37,333	6,320	16,206
OTHER COMPREHENSIVE INCOME:					
Item(s) that may be reclassified to profit or loss in the future -					
Unrealised gains/(losses) on available-for-sale investments, net of taxation		-204	1,044	593	-310
Item(s) that will not be reclassified to profit or loss in the future -					
Re-measurement of post-employment benefit asset, net of taxation		0	0	-155	-155
Total other Comprehensive income		-204	1,044	438	-465
TOTAL COMPREHENSIVE INCOME		32,200	38,377	6,758	15,741
NET PROFIT/(LOSS) ATTRIBUTABLE TO:					
Stockholders of the company		32,481	37,526	6,371	16,351
Non-controlling interest		-77	-193	-51	-145
		32,404	37,333	6,320	16,206
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Stockholders of the company		32,338	38,676	6,768	16,028
Non-controlling interest		-138	-299	-10	-287
		32,200	38,377	6,758	15,741
EARNINGS PER STOCK UNIT ATTRIBUTABLE					
TO STOCKHOLDERS OF THE COMPANY	4	22.60	26.11	4.43	11.38

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Consolidated Statement of Financial Position
30 June 2017

	Note	Jun-17 \$'000	Jun-16 \$'000
NON-CURRENT ASSETS			
Property, plant and equipment		218,665	223,189
Investments		16,184	15,140
Post-employment benefit asset		26,367	26,367
		261,216	264,696
CURRENT ASSETS			
Inventories		45,108	45,296
Receivables		44,385	46,592
Taxation recoverable		4,176	2,298
Short term deposits	5	60,348	58,516
Cash and cash equivalents	6	81,155	49,540
		235,172	202,242
CURRENT LIABILITIES			
Payables		99,991	120,130
Taxation payable		-	296
Current portion of long term liabilities		7,237	5,855
		107,228	126,281
NET CURRENT ASSETS			
		127,944	75,961
		389,160	340,657
STOCKHOLDERS' EQUITY			
Share capital		1,437	1,437
Capital reserve		166,488	166,488
Fair value reserve		15,733	14,583
Retained earnings		168,267	132,178
		351,925	314,686
NON-CONTROLLING INTEREST			
		4,659	4,958
		356,584	319,644
NON-CURRENT LIABILITIES			
Long term liabilities		21,705	10,142
Deferred tax liabilities		10,871	10,871
		389,160	340,657

APPROVED FOR ISSUE BY THE BOARD OF DIRECTORS ON 8 AUGUST 2017 AND SIGNED ON ITS BEHALF BY:


DOUGLAS GRAHAM DIRECTOR


MELANIE GRAHAM DIRECTOR

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Consolidated Statement of Changes in Equity
Year ended 30 June 2017

	Attributable to the Company's Stockholders					Non-	Total
	Number of	Share Capital	Capital Reserve	Fair Value Reserve	Retained Earnings	Controlling Interest	
	Shares						
	'000	\$'000	\$'000	\$'000	\$'000	\$'000	
BALANCE AT 1 JULY 2015	1,437	1,437	166,488	14,751	118,497	5,245	306,418
TOTAL COMPREHENSIVE INCOME							
Net profit	-	-	-	-	16,351	-145	16,206
Other comprehensive income -							
Re-measurement of post-employment benefit asset	-	-	-	-	-155	-	-155
Unrealised losses on available-for-sale investments	-	-	-	-168	-	-142	-310
	-	-	-	-168	16,196	-287	15,741
TRANSACTIONS WITH OWNERS							
Dividends paid	-	-	-	-	-2,515	-	-2,515
BALANCE AT 30 JUNE 2016	1,437	1,437	166,488	14,583	132,178	4,958	319,644
TOTAL COMPREHENSIVE INCOME							
Net profit	-	-	-	-	37,526	-193	37,333
Other comprehensive income -							
Unrealised gains on available-for-sale investments	-	-	-	1,150	-	-106	1,044
	-	-	-	1,150	37,526	-299	38,377
TRANSACTIONS WITH OWNERS							
Dividends paid	-	-	-	-	-1,437	-	-1,437
BALANCE AT 30 JUNE 2017	1,437	1,437	166,488	15,733	168,267	4,659	356,584

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Consolidated Statement of Cash Flows
Year ended 30 June 2017

	Note	Jun-17 \$'000	Jun-16 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash provided by operating activities	8	48,410	38,469
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-28,878	-19,534
Proceeds from sale of property, plant and equipment		1,250	2,031
Short term deposits, net		-1,963	-5,343
Interest received		1,180	1,089
Dividend received		232	456
Cash used in investing activities		-28,179	-21,301
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loans repaid		-5,855	-7,553
Long term loans received		18,800	0
Dividends paid		-1,437	-2,515
Interest paid		-1,363	-1,979
Cash provided by/(used in) financing activities		10,145	-12,047
		30,376	5,121
Exchange gain on foreign cash balances		1,239	5,607
Increase in cash and cash equivalents		31,615	10,728
Cash and cash equivalents at beginning of year		49,540	38,812
CASH AND CASH EQUIVALENTS AT END OF YEAR	6	81,155	49,540

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Company Statement of Comprehensive Income
Year ended 30 June 2017

	Note	Period	Y-T-D	Period	Y-T-D
		April - June \$'000	Jun-17 \$'000	April - June \$'000	Jun-16 \$'000
REVENUE		215,191	715,620	183,275	659,020
Direct expenses		-160,142	-556,263	-139,886	-509,480
GROSS PROFIT		55,049	159,357	43,389	149,540
Other operating income	3	14,486	37,737	10,256	35,143
Administration expenses		-45,962	-174,964	-42,372	-167,982
OPERATING PROFIT		23,573	22,130	11,273	16,701
Finance costs - interest expense		-395	-1,282	-383	-1,878
PROFIT BEFORE TAXATION		23,178	20,848	10,890	14,823
Taxation		0	0	-4,728	-4,728
NET PROFIT		23,178	20,848	6,162	10,095
OTHER COMPREHENSIVE INCOME:					
Item(s) that may be reclassified to profit or loss in the future -					
Unrealised gains on available-for-sale investments, net of taxation		411	2,116	172	1,121
Item(s) that will not be reclassified to profit or loss in the future -					
Re-measurement of post-employment benefit asset, net of taxation		0	0	-155	-155
Total Other Comprehensive Income		411	2,116	17	966
TOTAL COMPREHENSIVE INCOME		23,589	22,964	6,179	11,061


THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Company Statement of Financial Position
30 June 2017

	Note	Jun-17 \$'000	Jun-16 \$'000
NON-CURRENT ASSETS			
Property, plant and equipment		91,809	86,262
Investments		6,304	4,188
Post-employment benefit asset		26,367	26,367
Due from subsidiaries		35,971	62,813
		160,451	179,630
CURRENT ASSETS			
Inventories		42,344	42,846
Receivables		42,226	44,223
Taxation recoverable		3,750	2,298
Short term deposits	5	60,348	58,516
Cash and cash equivalents	6	79,764	48,495
		228,432	196,378
CURRENT LIABILITIES			
Payables		84,748	105,308
Current portion of long term liabilities		7,237	5,855
		91,985	111,163
NET CURRENT ASSETS			
		136,447	85,215
		296,898	264,845
STOCKHOLDERS' EQUITY			
Share capital		1,437	1,437
Capital reserve		148,365	148,365
Fair value reserve		5,747	3,631
Retained earnings		95,375	75,964
		250,924	229,397
NON-CURRENT LIABILITIES			
Due to subsidiaries		20,575	21,612
Long term liabilities		21,705	10,142
Deferred tax liabilities		3,694	3,694
		296,898	264,845

APPROVED FOR ISSUE BY THE BOARD OF DIRECTORS ON 8 AUGUST 2017 AND SIGNED ON ITS BEHALF BY:


DOUGLAS GRAHAM

DIRECTOR


MELANIE GRAHAM

DIRECTOR

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Company Statement of Changes in Equity
Year ended 30 June 2017

	Number of Shares '000	Share Capital \$'000	Capital Reserve \$'000	Fair Value Reserve \$'000	Retained Earnings \$'000	Total \$'000
BALANCE AT 1 JULY 2015	1,437	1,437	148,365	2,510	68,539	220,851
TOTAL COMPREHENSIVE INCOME						
Net profit	-	-	-	-	10,095	10,095
Other comprehensive income -						
Re-measurement of post-employment benefit asset	-	-	-	-	-155	-155
Unrealised gains on available-for-sale investments	-	-	-	1,121	-	1,121
	-	-	-	1,121	9,940	11,061
TRANSACTIONS WITH OWNERS						
Dividends paid	-	-	-	-	-2,515	-2,515
BALANCE AT 30 JUNE 2016	1,437	1,437	148,365	3,631	75,964	229,397
Net profit	-	-	-	-	20,848	20,848
Other comprehensive income -						
Re-measurement of post-employment benefit asset	-	-	-	-	0	0
Unrealised gains on available-for-sale investments	-	-	-	2,116	-	2,116
	-	-	-	2,116	20,848	22,964
TRANSACTIONS WITH OWNERS						
Dividends paid	-	-	-	-	-1,437	-1,437
BALANCE AT 30 JUNE 2017	1,437	1,437	148,365	5,747	95,375	250,924

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Company Statement of Cash Flows
Year ended 30 June 2017

	Note	Jun-17 \$'000	Jun-16 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash provided by operating activities	8	40,862	26,097
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-22,676	-8,706
Proceeds from sale of property, plant and equipment		1,250	2,031
Short term deposits, net		-1,963	-5,343
Interest received		2,184	2,656
Dividends received		147	169
Cash used in investing activities		-21,058	-9,193
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loans repaid		-5,855	-7,553
Long term loans received		18,800	0
Dividends paid		-1,437	-2,515
Interest paid		-1,282	-1,878
Cash provided by/(used in) financing activities		10,226	-11,946
		30,030	4,958
Exchange gain on foreign cash balances		1,239	5,607
Increase in cash and cash equivalents		31,269	10,565
Cash and cash equivalents at beginning of year		48,495	37,930
CASH AND CASH EQUIVALENTS AT END OF YEAR	6	79,764	48,495

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Notes to the Financial Statements
Year ended 30 June 2017

Note 2 - SEGMENT REPORTING (continued)

	2016					Group \$'000
	Cinema activities			Film activities \$'000	Screen Advertising activities \$'000	
	Carb Cinema \$'000	Palace Cineplex \$'000	Palace Multiplex \$'000			
REVENUE -						
Box office receipts	279,184	96,014	148,978	-	-	524,176
Confectionery sales	129,083	41,811	57,941	-	-	228,835
Film rental	-	-	-	379,654	-	379,654
Screen advertising	25,494	10,587	15,334	-	30,802	82,217
Other activities	2,575	5,011	805	-	-	8,391
	<u>436,336</u>	<u>153,423</u>	<u>223,058</u>	<u>379,654</u>	<u>30,802</u>	<u>1,223,273</u>
Eliminations						-314,033
Revenue from external customers						<u>909,240</u>
SEGMENT RESULT ⁽¹⁾	<u>8,695</u>	<u>15,822</u>	<u>30,354</u>	<u>83,120</u>	<u>20,235</u>	<u>158,226</u>
Eliminations						<u>22,335</u>
						<u>180,561</u>
CAPITAL EXPENDITURE -	<u>10,828</u>	<u>364</u>	<u>3,501</u>	<u>-</u>	<u>-</u>	<u>14,693</u>
Eliminations						-
Unallocated head office capital expenditure						<u>4,841</u>
Total capital expenditure						<u>19,534</u>
DEPRECIATION -	<u>15,060</u>	<u>5,482</u>	<u>3,996</u>	<u>224</u>	<u>8</u>	<u>24,770</u>
Unallocated head office depreciation						<u>7,815</u>
Total depreciation						<u>32,585</u>
INTEREST EXPENSE -	<u>1,668</u>	<u>169</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,837</u>
Unallocated head office interest expense						<u>1,709</u>
Eliminations						<u>-1,567</u>
Total interest expense						<u>1,979</u>

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Notes to the Financial Statements
Year ended 30 June 2017

Note 2 - SEGMENT REPORTING (continued)

⁽¹⁾ Profit from reportable segments is reconciled to the Group's profit before taxation as follows:

	Jun-17 \$'000	Jun-16 \$'000
Profit from reportable segments	201,106	180,561
Unallocated income -		
Other operating income	12,773	11,528
Unallocated costs -		
Administrative expenses	-174,964	-167,982
Other	-1,334	-1,173
	-176,298	-169,155
Unallocated interest expense	-1,252	-1,709
Eliminations	1,004	1,567
	-248	-142
	<u>37,333</u>	<u>22,792</u>

Note 3 - OTHER OPERATING INCOME

	The Group		The Company	
	Jun-17 \$'000	Jun-16 \$'000	Jun-17 \$'000	Jun-16 \$'000
Management fees	-	-	24,045	22,335
Interest income	1,400	1,508	2,404	3,075
Dividend income	232	456	147	169
Exchange gain on foreign balances	1,887	6,236	1,887	6,236
Gain on sale of property, plant and equipment	1,250	1,109	1,250	1,109
Other	8,004	2,219	8,004	2,219
	<u>12,773</u>	<u>11,528</u>	<u>37,737</u>	<u>35,143</u>

Note 4 - EARNINGS PER STOCK UNIT

The earnings per stock unit is based on 1,437,028 ordinary stock units in issue at the end of the period.

Note 5 - SHORT TERM DEPOSITS

These represent deposits with original maturity of greater than 90 days.

Note 6 - CASH AND CASH EQUIVALENTS

	The Group		The Company	
	Jun-17	Jun-16	Jun-17	Jun-16
Cash at bank and in hand	80,036	48,454	78,645	47,409
Short term deposits (with original maturity of 90 days or less)	1,119	1,086	1,119	1,086
Cash and cash equivalents as per the cash flow statement	<u>81,155</u>	<u>49,540</u>	<u>79,764</u>	<u>48,495</u>

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Unaudited Notes to the Financial Statements
Year ended 30 June 2017

Note 7- EXPENSES BY NATURE

	The Group		The Company	
	Jun-17	Jun-16	Jun-17	Jun-16
	\$'000	\$'000	\$'000	\$'000
Advertising and promotion	24,041	24,963	13,887	14,497
Auditors' remuneration -				
Current year	5,205	4,920	4,200	4,000
Prior year	237	-6	180	32
Bank security & fees	6,743	6,801	3,392	3,501
Cost of inventories recognised as expense	127,085	112,573	52,248	46,752
Depreciation	33,402	32,585	17,129	17,525
Film cost	320,196	289,087	320,196	289,087
Insurance	15,218	16,680	9,288	10,216
Legal and professional fees	2,565	5,687	2,024	5,002
Licence fees	6,181	5,751	2,978	2,773
Motor vehicle expenses	4,701	4,005	4,701	4,005
Other	24,410	23,002	17,639	16,500
Repairs, maintenance and renewals	32,414	29,678	23,686	20,901
Security	20,563	19,460	8,942	8,646
Staff costs	216,192	206,401	167,528	158,248
Stationery and supplies	25,749	20,887	12,927	11,510
Theatre rental	38,012	34,456	38,012	34,456
Transportation and courier	863	806	785	686
Utilities	60,437	58,261	31,485	29,125
	964,214	895,997	731,227	677,462

Note 8 - CASH FLOWS FROM OPERATING ACTIVITIES

	The Group		The Company	
	Jun-17	Jun-16	Jun-17	Jun-16
	\$'000	\$'000	\$'000	\$'000
Net profit	37,333	16,206	20,848	10,095
Items not affecting cash resources:				
Depreciation	33,402	32,585	17,129	17,525
Gain on sale of property, plant and equipment	-1,250	-1,109	-1,250	-1,109
Interest income	-1,400	-1,508	-2,404	-3,075
Dividend income	-232	-456	-147	-169
Exchange gain on foreign balances	-1,887	-6,236	-1,887	-6,236
Interest expense	1,363	1,979	1,282	1,878
Taxation	0	6,586	0	4,728
	67,329	48,047	33,571	23,637
Changes in operating assets and liabilities:				
Inventories	188	-3,392	502	-2,855
Receivables	3,232	4,448	3,022	6,311
Post-employment benefits	0	-2,534	0	-2,534
Due from subsidiaries	-	-	25,805	12,603
Payables	-20,515	-8	-20,936	-4,613
	50,234	46,561	41,964	32,549
Taxation paid	-1,824	-8,092	-1,102	-6,452
Cash provided by operating activities	48,410	38,469	40,862	26,097

THE PALACE AMUSEMENT COMPANY (1921) LIMITED
Shareholders Listing
30 June 2017

DIRECTORS		HOLDING		CONNECTED PERSONS		HOLDING
Charles "Douglas" Graham		111,127		Russgram Investments Ltd.		947,673
Melanie Graham		11,448		Melanie Graham		11,448
Elon Beckford		9,792		Charles "Douglas" Graham		111,127
Charles "Scott" Graham		3,194		Elmar Development Limited		14,067
Steven Cooke		1,000		Marilyn Beckford		NIL
Hugh Levy Jnr.		1				
Douglas Stiebel		1		Cameron Cooke		NIL
Brian St. Juste		1		Christian Cooke		NIL
Heather Facey		1		Laurel Levy		NIL
				Christine Stiebel		NIL
				Sharon St. Juste		NIL
				Paul Facey		NIL
				Sabrina Facey		NIL
				Toby Facey		NIL
				Ashleigh Facey		NIL
SENIOR MANAGEMENT		HOLDING		CONNECTED PERSONS		HOLDING
Eileen Thomas		NIL		Eileen & Hugh Thomas		100
Carol Lee		NIL		Hugh Thomas		NIL
Gillian Crosskill		NIL		Hugh Lee		NIL
David Chong		NIL		Nicholas Lee		NIL
Trace Clarke		NIL				
Shawn Smith		NIL		Patricia Chong		NIL
				Jelani Clarke		NIL
TEN (10) LARGEST		HOLDING	%			
Russgram Investments Limited		947,673	65.9%			
Charles "Douglas" Graham		111,127	7.7%			
Bridgeton Management Services		66,540	4.6%			
Herbert & Sally-Anne Sharpe		47,000	3.3%			
Juanita Alberga		18,660	1.3%			
Mayberry Investments Limited		15,950	1.1%			
Roman Catholic Archbishop of Kingston		14,280	1.0%			
Exors. Est. Effie May Phillips (Deceased)		14,220	1.0%			
Elmar Development Limited		14,067	1.0%			
Est. Olive Lamb Sharp (Deceased)		11,988	0.8%			