

PHILIPPINE PHARMA PROCUREMENT, INC.
(A subsidiary of the Philippine International Trading Corporation)
STATEMENT OF FINANCIAL POSITION
As of December 31, 2016
(With Corresponding Figures for CY 2015)
(In Philippine Peso)

	Notes	2016	2015
ASSETS			
Current Assets			
Cash and cash equivalents	4	94,766,128	58,826,079
Accounts receivable			
Trade - net	5	25,350,343	313,692,606
Non-trade - net	6	659,503	189,646
Inventories - net	7	853,136	3,136,953
Prepaid Expenses	8	31,420,041	18,201,777
Total current assets		153,049,151	394,047,061
Non-current Assets			
Property, plant and equipment - net	9	2,731,656	3,503,403
Deferred tax assets	10	12,346,837	12,741,083
Other non-current assets	11	59,873	0
Total non-current assets		15,138,366	16,244,486
TOTAL ASSETS		168,187,517	410,291,547
LIABILITIES AND CAPITAL DEFICIENCY			
Current Liabilities			
Accounts payable	12	44,391,496	336,872,271
Inter-agency payables	13	9,484,921	12,343,772
Other current liabilities	14	275,968,553	144,669,146
Total current liabilities		329,844,970	493,885,189
Non-current Liabilities			
Notes payable		0	205,451
Loan payable	15	163,528,914	203,407,241
Due to affiliates	16	21,045,654	21,295,634
Other non-current liabilities	17	5,451,748	4,244,021
Deferred tax liabilities	10	70,320	68,500
Total non-current liabilities		190,096,636	229,220,847
TOTAL LIABILITIES		519,941,606	723,106,036
EQUITY (CAPITAL DEFICIENCY)		(351,754,089)	(312,814,489)
TOTAL LIABILITIES AND CAPITAL DEFICIENCY		168,187,517	410,291,547

The notes on pages 8 to 21 form part of these financial statements

PHILIPPINE PHARMA PROCUREMENT, INC.
(A subsidiary of the Philippine International Trading Corporation)
STATEMENT OF COMPREHENSIVE INCOME
For the year ended December 31, 2016
(With Corresponding Figures for CY 2015)
(In Philippine Peso)

	Notes	2016	2015
SALES	19	154,310,456	941,258,254
COST OF SALES	20	137,857,743	891,220,021
GROSS PROFIT		16,452,713	50,038,233
OPERATING EXPENSES	21		
Selling expenses		11,158,992	11,402,061
Administrative expenses		27,342,355	31,443,367
Total operating expenses		38,501,347	42,845,428
INCOME FROM OPERATIONS		(22,048,634)	7,192,805
OTHER INCOME (EXPENSES)	22	(17,710,697)	(14,927,264)
BENEFIT (CHARGES) FROM DEFERRED INCOME TAX	10	(396,066)	1,612,627
NET LOSS		(40,155,397)	(6,121,832)

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PHILIPPINE PHARMA PROCUREMENT, INC.
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STATEMENT OF CHANGES IN EQUITY
For the year ended December 31, 2016
(With Corresponding Figures for CY 2015)
(In Philippine Peso)

	Notes	2016	2015
EQUITY			
CAPITAL STOCK	18	37,500,000	37,500,000
RETAINED EARNINGS (DEFICIT)			
Balance, beginning of year		(350,314,489)	(344,192,657)
Net income (loss)		(40,155,397)	(6,121,832)
Adjustment on Retained Earnings		1,215,797	0
Balance, end of year		(389,254,089)	(350,314,489)
EQUITY (CAPITAL DEFICIENCY)		(351,754,089)	(312,814,489)

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PHILIPPINE PHARMA PROCUREMENT, INC.
(A subsidiary of the Philippine International Trading Corporation)
STATEMENT OF CASH FLOWS
For the year ended December 31, 2016
(With Corresponding Figures for CY 2015)
(In Philippine Peso)

	Notes	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash inflows			
Cash receipts from sales/receivables		435,326,455	932,510,458
Interest income		69,483	95,487
Deposits, retention fees and bonds		90,174,550	9,270,645
Return of excess cash advances		147,533	195,877
Miscellaneous receipts		616,665	4,140,100
Total cash inflows		526,334,686	946,212,567
Cash outflows			
Payment to suppliers of good for trade		409,248,378	807,020,339
Payment of operating expenses		11,255,436	15,386,536
Remittance to BIR		30,936,955	43,868,886
Return of bonds		18,580,869	4,555,273
Payment of manpower services		19,658,021	21,218,629
Total cash outflows		489,679,659	892,049,663
Net cash provided by (used in) operating activities		36,655,027	54,162,904
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of furniture and equipment		0	(127,680)
Net cash used in investing activities		0	(127,680)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of interest on loan		0	(2,812,500)
Amortization payments on motor vehicles		(714,978)	(714,978)
Net cash used in financing activities		(714,978)	(3,527,478)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		35,940,049	50,507,746
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		58,826,079	8,318,333
CASH AND CASH EQUIVALENTS, END OF YEAR	4	94,766,128	58,826,079

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