



**PRESS RELEASE**

**PR. No 391/2019**

**FAN MILK LTD (FML) -  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDING 30 SEPTEMBER 2019**

FML has released its unaudited Financial Statements for the third quarter ending September 30, 2019 as per the attached.

Issued in Accra, this 30<sup>th</sup>  
day of October, 2019.

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att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, FML
4. NTHC Registrars, (Registrars for FML shares)
5. Custodians
6. Central Securities Depository
7. Securities and Exchange Commission
8. GSE Council Members
9. GSE Notice Board

**For enquiries, contact:**

**Head Listing, GSE on 0302 669908, 669914, 669935**

\*GA



# FAN MILK LIMITED

Un-Audited Financial Statements for the nine months ended September 30, 2019

**Statement of Comprehensive Income for the nine months ended September 30, 2019**

	2019 GH¢'000	2018 GH¢'000
<b>Revenue</b>	<b>330,096</b>	<b>284,466</b>
Cost of Sales	(200,633)	(175,665)
<b>Gross Profit</b>	<b>129,463</b>	<b>108,801</b>
Sales and Distribution Costs	(62,697)	(54,651)
Administrative Expenses	(19,474)	(19,201)
Depreciation & Amortisation	(23,230)	(20,394)
Other Income	921	14,341
<b>Operating Profit</b>	<b>24,984</b>	<b>26,895</b>
Finance Income	3,857	917
Finance Cost	(2,066)	(823)
<b>Net Profit before tax</b>	<b>26,755</b>	<b>28,989</b>
Taxation	(7,518)	(7,627)
<b>Net Profit after tax</b>	<b>19,237</b>	<b>21,362</b>
Other Comprehensive Income	-	-
<b>Total Comprehensive Income</b>	<b>19,237</b>	<b>21,362</b>
Number of Shares outstanding	116,207,268	116,207,268
Earnings per Share	0.17	0.18

**Statement of Financial Position as at September 30, 2019**

	2019 GH¢'000	2018 GH¢'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	186,626	199,762
<b>186,626</b>	<b>199,762</b>	
<b>Current Assets</b>		
Inventories	64,122	59,836
Tax	7,780	5,333
Trade and Other Receivables	16,436	15,093
Bank and Cash Balances	66,305	31,437
<b>156,642</b>	<b>111,699</b>	
<b>TOTAL ASSETS</b>	<b>343,269</b>	<b>311,461</b>

**COMMENTS TO THE FINANCIAL STATEMENTS:**

Strong Revenue growth of 23% in quarter 3 leading to year to date growth of 16%. Growth acceleration is the result of the focus in building purposeful brands and improving the distribution network. Gross Margin over Net Sales improves by 87bps compared to same period last year, as a result of continued focus in driving efficiency in operation despite the impact of inflation and currency depreciation. Operating costs increase slower than revenue growth with Administration expenses in line with last year as a result of focus on savings from operations. Operating margin declines by 14% and this is due to the asset sale in 2018 recognised in Other Income.

**Statement of Changes in Equity**

	2019 GH¢'000	2018 GH¢'000
<b>EQUITY</b>		
Stated capital	10,000	10,000
Retained earnings	243,811	233,038
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>253,811</b>	<b>243,038</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred Tax	8,578	9,294
<b>8,578</b>	<b>9,294</b>	
<b>Current liabilities</b>		
Trade and Other Payables	77,831	56,058
Tax	-	0
Dividends	3,049	3,071
<b>80,880</b>	<b>59,129</b>	
<b>TOTAL LIABILITIES</b>	<b>89,458</b>	<b>68,423</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>343,269</b>	<b>311,461</b>

**Statement of Cash Flows for the nine month ended September 30, 2019**

	2019 GH¢'000	2018 GH¢'000
<b>Cash Flows from Operating Activities</b>		
Cash generated from Operations	39,393	46,110
Interest Paid	(2,066)	(823)
Interest Received	3,857	917
Tax Paid	(5,974)	(12,079)
<b>Net Cash Generated from Operating Activities</b>	<b>35,190</b>	<b>34,125</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(8,755)	(37,242)
Right of Use - Lease Asset	(4,655)	-
Proceeds from sale of Property, Plant and Equipment	572	13,889
<b>Net Cash used in Investing Activities</b>	<b>(12,838)</b>	<b>(23,353)</b>
<b>Cash Flows from Financing Activities</b>		
Dividends Paid	(16)	(34)
<b>Net Cash used in Financing Activities</b>	<b>(16)</b>	<b>(34)</b>
(Decrease) in Cash and Cash Equivalents	22,336	10,738
Cash and Cash Equivalents at January 1	45,969	20,699
<b>Cash and Cash Equivalents at September 30</b>	<b>68,305</b>	<b>31,437</b>

**Notes to the Financial Statement for the nine months ended September 30, 2019**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these quarterly financial statements are consistent to that of the most recent Annual Report and Accounts.

2. The financial statement have been prepared in accordance with International Financial Reporting Standards (IFRS).

3. Administrative expenses include:

	2019 GH¢'000	2018 GH¢'000
Directors Remuneration	2187	2,312
Auditors Remuneration	182	164

4. Other Income

	2019	2018
Profit on Sale of Fixed Assets	81	13,266
Sale of Scraps & Sundry Income	138	229
Rent Income	702	846

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

Dr. Charles Mensa  
Board Chairman

Zobeilton Yeo  
Managing Director