



PRESS RELEASE

PR. No 033/2020

**FAN MILK LTD (FML) -
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

FML has released its unaudited Financial Statements for the year ended December 31, 2019 as per the attached.

Issued in Accra, this 31th
day of January, 2020.

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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

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FAN MILK LIMITED

Un-Audited Financial Statements for the full year ended December 31, 2019

Statement of Comprehensive Income for the full year ended December 31, 2019

	2019 GH¢'000	2018 GH¢'000
Revenue	423,117	389,567
Cost of Sales	(254,210)	(240,731)
Gross Profit	168,907	148,776
Sales and Distribution Costs	(81,309)	(76,366)
Administrative Expenses	(52,454)	(74,520)
Other Income	10,039	18,001
Operating Profit	35,183	15,891
Finance Income	4,949	1,314
Finance Cost	(1,397)	(1,134)
Net Profit before tax	38,735	16,071
Current Tax	(13,721)	(3,172)
Net Profit after tax	25,014	12,899
Other Comprehensive Income	-	-
Total Comprehensive Income	25,014	12,899
Number of Shares outstanding	116,207,286	116,207,286
Earnings per Share	0.22	0.11

Statement of Financial Position as at December 31, 2019

	2019 GH¢'000	2018 GH¢'000
ASSETS		
Non-current assets		
Property, Plant and Equipment	191,973	196,921
191,973	196,921	
Current Assets		
Inventories	96,607	50,400
Tax	-	8,343
Trade and Other Receivables	27,312	23,769
Bank and Cash Balances	39,110	45,966
163,028	129,481	
TOTAL ASSETS	355,001	326,402

COMMENTS TO THE FINANCIAL STATEMENTS:

FML delivered an annual Revenue growth of 8.6%. Growth driven by stronger innovation and renovation activities and improvement of the distribution network. Gross Profit improved by 13.5%, ahead of Revenue. This is due to efficiency projects across Cost of Sales, despite inflationary and exchange rate pressures. Operating costs improved versus prior year as a result of savings from reorganisation. Overall, FML achieved a strong growth in operating profit of 121%. Net Profit grew by 94% against prior year.

	2019 GH¢'000	2018 GH¢'000
EQUITY		
Stated capital	10,000	10,000
Retained earnings	249,588	224,575
TOTAL SHAREHOLDERS' EQUITY	259,588	234,575
LIABILITIES		
Non-current liabilities		
Deferred Tax	11,294	8,580
11,294	8,580	
Current liabilities		
Trade and Other Payables	80,562	80,162
Tax	519	-
Dividends	3,038	3,065
84,119	83,247	
TOTAL LIABILITIES	95,413	91,827
TOTAL EQUITY AND LIABILITIES	355,001	326,402

Statement of Changes in Equity

	2019 GH¢'000	2018 GH¢'000
Stated capital	10,000	10,000
Retained earnings - January 1	224,574	211,676
Total comprehensive income	25,014	12,899
Dividend for previous year	-	-
Retained earnings - December 31	249,588	224,575
Total equity	259,588	234,575

Statement of Cash Flows for the full year ended December 31, 2019

	2019 GH¢'000	2018 GH¢'000
Cash Flows from Operating Activities		
Cash generated from Operations	17,291	77,065
Interest Paid	(1,397)	(1,134)
Interest Received	4,949	1,299
Tax Paid	(9,118)	(12,349)
Net Cash Generated from Operating Activities	11,725	64,901
Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	(23,832)	(53,875)
Right of Use - Lease Asset	(4,655)	-
Proceeds from sale of Property, Plant and Equipment	9,934	14,283
Net Cash used in Investing Activities	(18,553)	(39,592)
Cash Flows from Financing Activities		
Dividends Paid	(31)	(39)
Net Cash used in Financing Activities	(31)	(39)
(Decrease) in Cash and Cash Equivalents	(5,658)	25,270
Cash and Cash Equivalents at January 1	45,966	20,699
Cash and Cash Equivalents at December 31	39,110	45,969

Notes to the Financial Statement for the full year ended December 31, 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 statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

3. Administrative expenses include:

	2019 GH¢'000	2018 GH¢'000
Directors Remuneration	2,913	2,555
Auditors Remuneration	240	237

4. Other Income

	2019 GH¢'000	2018 GH¢'000
Profit on Sale of Fixed Assets	8,114	13,075
Sale of Scraps & Sundry Income	194	256
Rent Income	936	1,084
Exchange Gain	-	3,403
Bad Debt Recovered	795	183

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

Zobeirton Yeo
Managing Director