

FAN MILK PLC

**ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

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CORPORATE INFORMATION**BOARD OF DIRECTORS**

Freda Yahan Duplan (Chairperson)
Adjoa Boateng (appointed 16 May 2025)
Lionel Parent
Kplom Fiagome (appointed 16 May 2025)
Nii Amanor Dodoo
Jakub Kalinowski (resigned 13 March 2026)
Hendrik Born
Begona Santaolalla Martínez De Falcón (appointed 13 March 2026)

SECRETARY

Sandra Adu-Gyamfi
Fan Milk Plc
P.O. Box 6460
Accra

REGISTERED OFFICE

Fan Milk Plc
No. 1 Dadeban Road
North Industrial Area, Accra
P. O. Box 6460, Accra

INDEPENDENT AUDITORS

Forvis Mazars
Chartered Accountants and Business Advisors
3rd Floor One Airport Square, Accra
Nos. 7 & 9 Nyame Adom Courts
Adonai Lane, Ajiringanor, East Legon, Accra
PMB LG DTD 20014, Accra
P. O. Box GP 2957, Accra

REGISTRAR

NTHC Limited
Martco House
P O Box 9563
Airport, Accra

SOLICITOR

Danso Abiam & Co
Suite B8, 5th Floor
TDC Towers, Community 2, Tema

BANKERS

Ecobank Ghana Limited
Societe Generale Ghana
Stanbic Bank Ghana Limited
Standard Chartered Bank Ghana PLC

DIRECTORS' REPORT

The Directors, in submitting to the shareholders their report and financial statements of the Company for the year ended 31 December 2025, report as follows:

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for the preparation and fair presentation of the financial statements, and other explanatory notes in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants Ghana (ICAG) mandated by the ICAG Act, 2020 (Act 1058), and in a manner required by the Companies Act, 2019 (Act 992), and other national regulations, where appropriate.

In preparing these financial statements, the Directors confirm that suitable accounting policies have been used and consistently applied; and that judgements and estimates made, are reasonable and prudent and comply with International Financial Reporting Standards and the requirements of the Companies Act, 2019 (Act 992).

The Directors are responsible for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for ensuring that the Company complies with the laws and regulations applicable to its activities and for establishing arrangements designed to prevent any non-compliance with laws and regulations and to detect any that may occur.

The above statements which should be read in conjunction with the Auditor's report set out on pages 11 to 17 are made with a view to distinguishing the respective responsibilities of the Directors and the Auditor in relation to these financial statements to the shareholders.

The Directors have assessed the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern.

GOING CONCERN

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue to operate into the foreseeable future. This means the statement of profit or loss and other comprehensive income and the statement of financial position assume no intention or the necessity to either liquidate the Company or curtail significantly the scale of its operations. It further presumes that funds will be available to finance activities of the Company and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

FINANCIAL RESULTS

The results for the year are as set out in the statement of comprehensive income on page 18 of the financial statements.

ORDINARY DIVIDEND

The Directors recommend the payment of a dividend of GH¢0.11 per share amounting to GH¢12.8 million for the year ended 31 December 2025 (2024: GH¢0.08 per share amounting to GH¢9.3 million).

NATURE OF BUSINESS

The Company is authorised to carry on the business of manufacturing and production of recombined milk and other dairy products and manufacturing of soft drinks and other preserved provisions of all kinds both wholesale and retail.

HOLDING COMPANY

Fan Milk International A/S, incorporated in Denmark is the majority shareholder of Fan Milk Plc with 62.11% shareholding. The ultimate parent company of Fan Milk International A/S is Danone S.A, a company incorporated in Paris, France.

CHANGES IN DIRECTORSHIP

Following the 64th Annual General Meeting held on 16 May 2025, two additional directors were elected to the Board: Ms. Adjoa Boateng as an Independent Non-Executive Director, and Mr. Kplom Flagome as an Executive Director. Their appointments took immediate effect. Subsequent to the financial year end, Mr. Jakub Kalinowski resigned as a Non-Executive Director, effective 13 March 2026. To fill the resulting casual vacancy, Ms. Begoña Santaolalla Martínez De Falcón has been appointed as a Non-Executive Director also effective 13 March 2026.

DIRECTORS RETIRING AND SEEKING RE-ELECTION

Ms. Begoña, who was appointed to fill a casual vacancy following Jakub Kalinowski's resignation, will seek re-election. The Board recommends that shareholders support her re-election.

CORPORATE GOVERNANCE

The Board of Fan Milk Plc operates under a Board Charter approved on 22 August 2024, which sets out the governance framework for the Board's composition, powers, responsibilities, procedures, and committee structures in accordance with the Companies Act, 2019 (Act 992) and the Corporate Governance Code for Listed Companies, 2020 ("the SEC Code").

The Board of Fan Milk Plc comprises seven members: an Independent Non-Executive Chairperson, two Independent Non-Executive Directors, two Non-Executive Directors, and two Executive Directors. Following the 64th Annual General Meeting held on 16 May 2025, shareholders approved the election of Ms. Adjoa Boateng as an Independent Non-Executive Director and Mr. Kplom Flagome as an Executive Director. These appointments fully align the Board with the SEC Corporate Governance Code requirements for listed companies and strengthen the Board's oversight capacity. Shareholders also approved an amendment to Article 61 of the Company's Constitution, which now provides that the number of directors shall not be less than five and not more than twelve, to be determined by ordinary resolution of shareholders in general meeting.

In accordance with Article 24 of the Board Charter, newly appointed directors received formal induction in 2025 covering their duties and responsibilities, the Company's business, applicable governance and regulatory requirements. The Remuneration and Nominations Committee is responsible for recommending and reviewing the Board's training programmes annually.

The Board conducted its annual external evaluation for 2025, which assessed the performance of the Board as a whole, the Company Secretary, the Audit and Risk Committee, and the Remuneration and Nominations Committee. The assessment confirmed continued compliance with the Board Charter and the SEC Code. Directors confirmed that the Board's overall skill set met the Company's needs in 2025. The evaluation identified sustainability and ESG as areas for ongoing attention as the Company develops its long-term strategic agenda. In response, the Board has approved the implementation of a

structured capacity building programme for 2026-2027 through a CPD-accredited provider. The programme will include modules on board responsibilities for publicly listed companies, board dynamics, and ESG governance, supported by access to an executive education platform.

PROFILE OF DIRECTORS

FREDA YAHAN DUPLAN (CHAIRPERSON)

Freda Duplan is an accomplished business leader with over 40 years of experience transforming organizations and developing talent. As the first African woman appointed CEO in Nestlé's Zone Asia, Africa and Oceania, she broke barriers and set new standards for leadership excellence. Her career is defined by a commitment to inspiring young talent, supporting women in business, and driving organizational transformation.

Currently, Freda serves as Board Chairperson of Zenith Bank Ghana, Independent Board Member of ZEN Petroleum, and Board Chairperson of DTRT Apparel (Mauritius) Ltd. She is also a Co-founder of the Executive Women Network (EWN), reflecting her passion for advancing women in leadership roles. Throughout her distinguished career at Nestlé, Freda achieved numerous milestones, including becoming the first female Market Head in the Nestlé group as CEO/MD of Nestlé Pakistan (2018) and the first female and Ghanaian Managing Director of Nestlé Ghana Limited (2015). Her expertise spans executive coaching, change management, diversity and inclusion, strategic planning, and high-level negotiation.

Freda successfully established the Finance & HR Shared Services Center for Nestlé countries in Africa (2010) and led Nestlé Ghana to become the first in Central & West Africa Region to implement SAP (2008). Earlier in her career, she became Nestlé Ghana's first female National Sales Manager (1998) at which time she designed and implemented the company's distribution model. Her educational background includes studies at the Oxford School of Computer Technology and Slough College of Higher Education in the UK, complemented by leadership training at the London Business School. Freda's contributions have been recognized with numerous awards, including the Outstanding Corporate Personality of the Decade (2021) and Ghana Women of Excellence (2020). With expertise across FMCG, banking, and IT sectors, Freda continues to influence business leadership through her board positions and commitment to developing the next generation of leaders.

Committee membership: Remuneration and Nominating Committee

Other Directorships: Zenith Bank Ghana, ZEN Petroleum and DTRT Apparel (Mauritius) Ltd

LIONEL PARENT (MANAGING DIRECTOR)

Effective January 2026, Lionel Parent assumes an expanded mandate as the leader of the Fan Milk West Africa cluster, overseeing operations across Ghana, Togo, Côte d'Ivoire, Benin, and Nigeria. This new role builds on his strong track record within the organisation. Lionel first joined Fan Milk as Country Manager on 1 March 2024, before being appointed Managing Director and Executive Director of Fan Milk Plc on 19 June 2024. With over 15 years of international experience in sales and general management across the FMCG and alcoholic beverage industries, Lionel continues to bring strategic leadership and commercial excellence to drive the next phase of growth for Fan Milk in the region. Prior to leading Fan Milk, Lionel served as Commercial & Digital Transformation leader at Délice Danone Distribution JV in Tunisia. During this period, he revitalized the business through strategic initiatives that substantially improved profit margins while driving sales growth. His leadership in the Tunis Metropolitan area transformed declining volumes into positive growth, while his cost-saving measures and process optimizations strengthened the company's financial position and market standing.

Before his role at Délice Danone, Lionel led global route-to-market strategies at Danone's headquarters in Paris, where he successfully implemented digital solutions that enhanced sales performance across

markets. As Customer Group Director for Danone France, he achieved remarkable turnaround in the Out of Home channel, transforming years of decline into positive growth within just twelve months.

Lionel's expertise in African markets has been particularly transformative. His experience with premium spirits brands, including Glenfiddich and Absolut Vodka, saw him dramatically increase market presence across Sub-Saharan Africa, implementing innovative distribution strategies that multiplied sales in challenging markets like Nigeria. Later, during his time as Head of RTM & Distributor Management at Danone Africa (2017-2019), he revitalized the Fan Milk joint venture's ice cream business and successfully expanded Nutricia's baby food operations into new territories including Ghana and Nigeria.

A graduate of Skema Business School with a master's in management, Lionel is bilingual in French and English and skilled in various digital analytics tools. Beyond his professional responsibilities, he remains committed to developing talent, actively mentoring food industry entrepreneurs and coaching high-potential African business leaders. With his expertise in business strategy, digital transformation, and change management, Lionel has proven himself to be an exceptional leader capable of driving growth and profitability in diverse and challenging markets across Africa and Europe.

Committee membership: Remuneration and Nominating Committee

Other Directorships: Fanmilk West Africa Ltd

NII AMANOR DODOO (INDEPENDENT NON-EXECUTIVE DIRECTOR)

Nii Amanor Dodoo serves as the Chief Executive Officer of PMO Ghana Limited, a professional services company established in 2019. He currently manages the receivership engagement of five banks whose licenses were revoked by Ghana's Central Bank in August 2018, when he was appointed as the Receiver. A distinguished accountant with over 40 years of experience, Amanor led KPMG Ghana as Senior Partner from January 2013 until his retirement in September 2019. During his tenure, he provided strategic direction for the firm. His leadership extended to serving on KPMG's West Africa Board, influencing the firm's regional strategy and operations.

Amanor's career at KPMG includes several key leadership positions. He headed the Audit unit in Ghana from 2010 to 2012 and worked on secondment with KPMG Nigeria from 2006 to 2010, where he led both the Energy audit unit and the Consumer and Industrial Markets audit units at different periods. He became a partner at KPMG Ghana in 1992, working as an assurance engagement partner for major multinational clients including Guinness, Nestle, Scancom, Barclays, Ecobank, and GCB Bank in Ghana, as well as several prominent companies in Nigeria. Beyond assurance services, Amanor has extensive experience in special investigations, receiverships, liquidations and operational reviews across various companies. His expertise spans multiple sectors, including financial services, telecommunications, consumer markets, infrastructure, government, healthcare, energy, and natural resources. From 2002 to 2006, he was responsible for Risk Management, Training, Ethics, and Independence at KPMG Ghana.

A member of the Institutes of Chartered Accountants in both Ghana and Nigeria, Amanor's professional experience extends across Ghana, Nigeria, and the United Kingdom. His retirement from KPMG in 2019 marked the conclusion of four decades of distinguished service to KPMG.

Committee membership: Audit and Risk Committee, Remuneration and Nominating Committee

Other Directorships: PMO Ghana Limited, SOS Hermann Gmeiner International College

JAKUB KALINOWSKI (NON-EXECUTIVE DIRECTOR)

Jakub Kalinowski is a seasoned finance executive currently serving as Vice President Finance for Danone's Africa, Middle East, and Asia regions (AMEA). With over 20 years of experience in the FMCG sector, he has built a distinguished career marked by strategic leadership and operational excellence. Throughout his tenure at Danone, which began in 2002, Jakub has consistently demonstrated exceptional financial acumen and leadership capabilities. As Finance Director for the DACH region (Germany, Austria, Switzerland), he successfully managed a €1.2B business unit, integrating multiple finance organizations while protecting profitability during periods of market volatility. His expertise extends to manufacturing optimization, having overseen plant closures and strategic investments across multiple European locations.

Jakub's career progression reflects his ability to drive results in challenging environments. He transformed declining revenue trends into double-digit growth while maintaining healthy profit margins and played key roles in several successful M&A projects & post-merger integrations. A multilingual professional fluent in English, German, and Polish, Jakub holds a master's degree in international relations, Finance and Banking from the Warsaw School of Economics, and is an alumnus of the Chartered Institute of Management Accountants. His approach combines analytical thinking with strong interpersonal skills, making him particularly effective in multicultural business environments. Before joining Danone, Jakub managed projects at an internet startup, where he developed his project management expertise working with multinational clients across various sectors.

Committee Membership: Audit and Risk Committee

Other Directorships: Chairman, Nutricia MMP (Iran) and Board member in other Danone entities.

HENDRIK BORN (NON-EXECUTIVE DIRECTOR)

Mr. Hendrik Born currently serves as General Manager Dairy Africa overseeing Morocco, Algeria, Egypt and Sub-Saharan Africa as part of Danone's strategic evolution in the EMEA Zone. He brings a strong track record of transforming and growing dairy businesses across multiple markets. As Managing Director of Danone Southern Africa for four years, he reset a loss-making business with revenues of €190 million into a profitable growing enterprise generating €4 million in profit over the period, recording revenue growth in excess of 9%. Prior to that, as General Manager for Danone Nutricia Africa & Overseas, he led Danone's baby food business across 42 African countries, implementing an accelerated strategy that doubled the business to €240 million within five years. He also grew Danone Baby Nutrition in Iran fivefold to €25 million, increasing market share from 5% to 25%. Earlier in his career, he established Danone's dairy business in Iran from scratch, building it to €10 million in turnover in its second year. He holds an engineering degree from Military University Zittau and has completed executive programs at London Business School and INSEAD Fontainebleau.

Committee membership: Remuneration and Nominating Committee

KPLOM FIAGOME (EXECUTIVE DIRECTOR)

Mr. Kplom Fiagome serves as Head of Controlling for Ghana & Francos at Fan Milk Plc, where he provides strategic support to the managing director in planning and execution. With over 15 years of experience in finance, strategic planning, and leadership, he has built a distinguished career across telecommunications, retail, and oil & gas industries. Prior to joining Fan Milk, Kplom held senior finance positions at prominent telecommunications companies. As Acting CFO at AT and Financial Planning & Analysis Director at Airtel Ghana, he led financial operations and strategic initiatives that strengthened the organization's performance. His earlier roles at Millicom Ghana provided him with comprehensive experience in financial planning and analysis.

Kplom's diverse exposure includes industry experience in the oil and gas sector, where he led route planning for the introduction of Shell V-Power in Ghana. In the retail sector, he worked with TJX Europe (TK Maxx, UK), supporting the District Manager for London South in opening new stores. He played key roles in piloting and launching TJX Europe's operating model, contributing to double-digit growth and healthy margins.

He holds a master's degree in financial management from the University of Hull. Kplom currently serves as a member of the Audit and Risk Committee.

Committee membership: Audit and Risk Committee

ADJOA BOATENG (INDEPENDENT NON-EXECUTIVE DIRECTOR)

Adjoa Boateng is the Managing Director of Agro Carmel Ltd, bringing valuable experience spanning consumer industries and retail financial services. She previously served as Regional Director for West Africa at MicroEnsure, an emerging markets provider of digital insurance, where she demonstrated strong leadership in expanding access to financial services across the region.

Her leadership capabilities have been recognized internationally. She was selected as one of 26 emerging female leaders in the Fortune Magazine/US State Department's Global Women's Mentoring Programme. This distinction underscores her commitment to excellence and her potential to drive meaningful change in her field.

Adjoa holds a degree in Business Studies from the University of Sheffield, providing her with a solid foundation in commercial strategy and operations. Her blend of operational experience and strategic insight makes her a valuable contributor to governance and oversight.

Committee membership: Audit and Risk Committee

Other Directorships: IC Asset Managers, Millennium Excellence Foundation, EATO

BEGOÑA SANTAOLALLA MARTÍNEZ DE FALCÓN (NON-EXECUTIVE DIRECTOR)

Begoña Santaolalla is a Senior Finance Director with over 20 years of international experience across Danone's Iberia, DACH, Italy, Greece, and AMEA operations. She currently serves as Finance Director and Performance Animation Director for Danone AMEA, where she leads the Zone's financial planning and performance cycle.

In her previous role as Head of Topline Controlling and Strategic Governance for Aguas Danone España, she played an active role in the affairs of the Steering Committee and led the development of financial business cases and cross-functional strategic initiatives. Begoña later served as the Finance Director and Head of Topline Controlling for Danone and Waters Spain, where she led the full integration of topline controlling activities across the Dairy, Plant-Based and Waters divisions, and partnered with senior commercial leadership on strategic planning.

From 2017 to 2019, Begoña served as Head of Business Planning and Reporting for the DACH, Italy, and Greece cluster at Danone, where she led the integration of multiple markets and drove the development of BI tools and systems, including SAP, Essbase, MicroStrategy, and TM1. She began her career at Danone Iberia in 2001, progressing through roles spanning financial planning, marketing control, sales controlling, credit management, and shared services, including serving as SAP R/3 Finance Domain Leader for its implementation.

Begoña holds a Licenciatura in Business Administration from Universitat Pompeu Fabra and completed the Executive Programme for Women in Senior Leadership (PROMOCIONA) at ESADE, Madrid. She is fluent in Spanish, Catalan, English, and Portuguese.

Committee membership: Audit and Risk Committee

AUDITOR'S REMUNERATION

The Auditors, Forvis Mazars, have indicated their willingness to continue in office as auditors of the Company in accordance with Section 139 of the Companies Act, 2019 (Act 992). The Audit fee for the year ended 31 December 2025 was GH¢440,000 (2024: GH¢400,000).

SUSTAINABILITY PROJECTS (DANONE IMPACT JOURNEY)

During the financial year ended 31 December 2025, a total of GH¢3,978,082 was invested in our Danone Impact Journey, which covers areas of People & Communities, Nature and Health through Food.

DIRECTORS' INTEREST REGISTER

There were no declarations of interest made in the directors' interests register during the financial year. For the relevant period ended 31 December 2025, no director of the Company held shares in the business.

APPROVAL OF THE REPORT OF DIRECTORS

The report of the Directors was approved by the Board of Directors on 13 March 2026 and signed on their behalf by:



.....
Freda Duplan
Chairperson



.....
Lionel Parent
Managing Director

Date: 13 March 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAN MILK PLC

Opinion

We have audited the financial statements of Fan Milk Plc (the Company), which comprise the statement of financial position as at 31 December 2025, the statement of profit or loss and comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes as set out on pages 22 to 52.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Fan Milk Plc as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), the independent requirements of section 143 of the Companies Act, 2019 (Act 992) and Forvis Mazars Code of Conduct for Objectivity and Independence (CCOI). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the CCOI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be a key audit matter to be communicated in our report.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FAN MILK PLC**

Key Audit matters	How these matters were addressed in the audit
<p>Trade Terms and Rebates (GH¢151.485m)</p> <p>Sales rebates, as well as advertising and promotional expenditures, constitute significant components of operating costs and involve a high degree of management judgement in their estimation and recognition.</p> <p>These costs are subject to upward pressure due to increasing competition and evolving distributor expectations, which may result in accelerated growth relative to revenue. Consequently, the establishment and maintenance of robust controls over the initiation, approval, recording, and monitoring of such expenditures are critical.</p> <p>Effective control mechanisms typically include a comprehensive budgeting process, clearly defined policies governing commitments, and structured authorisation and review procedures.</p> <p>The application of these controls is inherently complex, given the volume of transactions and the involvement of multiple stakeholders, both external (including the distribution network) and internal (notably the Sales, Marketing, and Finance functions). Additionally, the commercially sensitive nature of these arrangements further heightens the need for strong governance and oversight.</p>	<p>We tested the design and operating effectiveness of controls over sales deductions, including conditional rebates and off-invoice trade support, to ensure compliance with cluster contract policies and accurate system recording.</p> <p>We verified that customer payments and deductions were promptly and accurately allocated to the relevant invoices, payables, or credit notes.</p> <p>We assessed the appropriateness of sales cut-off at the reporting date.</p> <p>We performed substantive procedures to evaluate the accuracy of customer deductions and the reasonableness of the year-end rebate provision, including review of supporting documentation to confirm that recognition criteria were met.</p> <p>We assessed the accuracy and appropriateness of the recording and presentation of customer deductions and related provisions.</p> <p>We performed substantive testing over the different rebate settlement methods, including deductions, cash disbursements, and other arrangements.</p> <p>We conducted a year-end analytical review of rebate provisions and costs, investigated significant variances, and corroborated explanations with supporting documentation on a sample basis.</p>

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FAN MILK PLC**

Key Audit matters	How these matters were addressed in the audit
<p>Impairment of Trade Receivables G GH¢2.205m</p> <p>As at 31 December 2025, gross trade receivables amounted to GH¢28.319 million, with an impairment allowance of GH¢2.205 million recognised.</p> <p>Management applied the simplified expected credit loss (ECL) model using a provision matrix, based on historical loss rates by ageing bucket and adjusted for forward-looking factors such as inflation.</p> <p>This approach involves significant judgement, particularly in determining default, selecting the historical period for loss rates, and incorporating forward-looking information.</p> <p>Accordingly, the estimation of the ECL allowance was considered a key audit matter due to its complexity and reliance on management judgement.</p> <p>Relevant disclosures are included in Notes 3.6, 3.7, 4.3, and 15 to the financial statements.</p>	<p>We evaluated the design and tested the operating effectiveness of controls over the trade receivables process, including the recording of credit sales, approval of credit limits, and dunning process.</p> <p>We obtained external confirmations for selected trade receivable balances to verify their existence and accuracy.</p> <p>We agreed historical write-offs and ageing buckets used in the ECL model to underlying data, and corroborated forward-looking inputs with observable macroeconomic information.</p> <p>We assessed the reasonableness of key assumptions and judgements, including the definition of default, the selection of historical periods, and the incorporation and weighting of forward-looking factors.</p> <p>We independently recalculated the impairment allowance using validated inputs and assumptions.</p> <p>We performed subsequent receipts testing on selected balances to assess recoverability at year-end.</p> <p>We evaluated the adequacy of disclosures relating to impairment allowances in the financial statements.</p>

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAN MILK PLC

Other Information

Management is responsible for the other information. The other information comprises the Corporate's information, Report of the Directors, Corporate Governance, Financial highlights, Board of Directors, Shareholding structure, Macro-economic environment and Corporate Social Responsibility but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management is responsible for selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAN MILK PLC

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAN MILK PLC

- Obtain sufficient appropriate audit evidence regarding the financial information of the company and business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report unless law or regulations precludes public disclosures about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

The Companies Act, 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- i) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- ii) In our opinion, proper books of accounts have been kept by the Company, so far as appears from our examination of those books, and proper returns adequate for the purpose of the audit have been received from branches not visited by us;
- iii) The statement of financial position and the statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.
- iv) In our opinion, to the best of our information and according to the explanations given to us, the accounts give the information required by the Companies Act, 2019 (Act 992) in the manner so required and give a true and fair view,
 - a) In the case of the statement of financial position, of the state of affairs of the Company at the end of the financial year ended 31 December 2025, and

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FAN MILK PLC**

- b) In the case of the profit and loss account and statements of other comprehensive income subject to the non-disclosure of any matters to be indicated in the report,
- c) which by virtue of Part Four of the Sixth Schedule of the Companies Act, 2019 (Act 992) are not required to be disclosed; and
- v) We are independent of the company pursuant to section 143 of the Companies Act, 2019 (Act 992).

We also confirm that, as far as our audit is concerned, the Company's transactions were within its powers and complied with the Companies Act, 2019 (Act 992).

The engagement partner on the audit resulting in this independent auditor's report is **Dr. William Ofori Darko (ICAG/P/1316)**.

FORVIS MAZARS

.....
Forvis Mazars (ICAG/F/2026/079)
Chartered Accountants and Business Advisors
Nos. 7 & 9 Nyame Adom Courts, Adonai Lane,
Adjiringanor, East Legon, Accra
PMB LG DTD 20014, Accra
P. O. Box GP 2957, Accra

31 March 2026

FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts are expressed in thousands of Ghana Cedi unless otherwise stated)

	Note	2025	2024
Revenue	5	1,000,667	683,822
Cost of Sales	6	(636,169)	(435,537)
Gross Profit		364,498	248,285
Impairment of Financial Assets	6	(543)	(3,252)
Distribution Costs	6	(172,223)	(120,681)
Administrative Expenses	6	(102,995)	(51,002)
Other Income	7	7,384	4,290
Operating Profit		96,121	77,640
Finance Income	8	13,378	7,942
Finance Costs	9	(5,238)	(12,661)
Profit before Income Tax		104,261	72,921
Income Tax Expense	10	(33,322)	(21,643)
Growth and Sustainability Levy	10	(2,606)	(1,823)
Profit for the year		68,333	49,455
Other Comprehensive Income		-	-
Total Comprehensive Income		68,333	49,455
Earnings per share:			
Basic and diluted (GH¢)	26	0.588	0.426

The notes on pages 22 to 53 are integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

(All amounts are expressed in thousands of Ghana Cedi unless otherwise stated)

		2025	2024
	Note		
Assets			
Non-Current Assets			
Property, Plant and Equipment	11	160,432	162,965
Right-of-Use Assets	12	1,577	3,705
Intangible Assets	13	2,170	-
Deferred Tax Assets	19	25,837	7,860
		-----	-----
		190,016	174,530
		-----	-----
Current Assets			
Inventory	14	99,455	114,206
Trade and Other Receivables	15	141,719	192,887
Cash and Cash Equivalents	17	231,613	109,105
		-----	-----
		472,787	416,198
		-----	-----
Total Assets		662,803	590,728
		=====	=====
Equity and Liabilities			
Equity			
Share Capital	18	10,000	10,000
Retained Earnings		321,768	262,735
		-----	-----
Total equity		331,768	272,735
		-----	-----
Liabilities			
Non-Current Liabilities			
Employee Benefit Obligations	20	491	774
Lease Liabilities	12	263	2,257
		-----	-----
		754	3,031
		-----	-----
Current Liabilities			
Current Income Tax Liabilities	23	6,627	8,348
Lease Liabilities	12	1,997	2,272
Employee Benefit Obligations	20	313	159
Trade and Other Payables	21	320,743	303,582
Dividend Payable	22	601	601
		-----	-----
Current Liabilities		330,281	314,962
		-----	-----
Total Liabilities		331,035	317,993
		-----	-----
Total Equity and Liabilities		662,803	590,728
		=====	=====

These Financial Statements were approved by the Board on 13 March 2026 and signed on their behalf by:



FREDA DUPLAN (DIRECTOR)



LIONEL PARENT (DIRECTOR)

The notes on pages 22 to 53 are integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY**FOR THE YEAR ENDED 31 DECEMBER 2025****(All amounts are expressed in thousands of Ghana Cedi unless otherwise stated)**

	Share Capital	Retained Earnings	Total Equity
2025			
Balance at 1 January	10,000	262,735	272,735
Profit for the year	-	68,333	68,333
Dividend to Equity Holders	-	(9,300)	(9,300)
	-----	-----	-----
Balance at 31 December	10,000	321,768	331,768
	=====	=====	=====
2024			
Balance at 1 January	10,000	219,091	229,091
Profit for the year	-	49,455	49,455
Dividend to Equity Holders	-	(5,811)	(5,811)
	-----	-----	-----
Balance at 31 December	10,000	262,735	272,735
	=====	=====	=====

The notes on pages 22 to 53 are integral part of these financial statements.

STATEMENT OF CASH FLOWS**FOR THE YEAR ENDED 31 DECEMBER 2025****(All amounts are expressed in thousands of Ghana Cedi unless otherwise stated)**

	Note	2025	2024
Cash flows from Operating Activities			
Cash generated from Operations	24	216,336	159,370
Interest Paid	9	(5,238)	(12,661)
Interest Received	8	13,378	7,942
Tax Paid	23	(55,626)	(13,944)
Tax Refund		-	2,871
Net Cash Inflow from Operating Activities		168,850	143,578
Cash flows from Investing Activities			
Purchase of Plant and Equipment	11	(31,717)	(39,968)
Purchase of Intangible Assets	11	(2,893)	-
Proceeds from Sale of Plant and Equipment	11	-	4,746
Net Cash Outflow from Investing Activities		(34,610)	(35,222)
Cash flows from Financing Activities			
Principal Lease Payments	12	(2,432)	(2,002)
Dividend Paid	22	(9,300)	(8,171)
Medium Term Loan Paid	9	-	(55,000)
Net cash outflow from Financing Activities		(11,732)	(65,173)
Increase in Cash and Cash Equivalents		122,508	43,183
Analysis of changes in Cash and Cash Equivalents during the year			
Balance at 1 January		109,105	65,922
Increase in Cash and Cash Equivalents		122,508	43,183
Balance at 31 December		231,613	109,105
Analysis of Cash and Cash Equivalents as Appearing in the Statement of Financial Position			
Cash and Cash Equivalents at end of year			
Cash at Bank	17	220,394	101,650
Deposits at Call	17	11,219	7,455
		231,613	109,105

The notes on pages 22 to 53 are integral part of these financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts are expressed in thousands of Ghana Cedi unless otherwise stated)

1. Reporting Entity

Fan Milk Plc (“the Company”) is a public limited liability company incorporated in Ghana and listed on the Ghana Stock Exchange. The registered office is located at No. 1 Dadeban Road, North Industrial Area, Accra.

The principal activity of the Company is the manufacture, production and distribution of recombined milk and other dairy products as well as to carry on the business of sellers and dealers in recombined milk and other dairy products and other preserved provisions both wholesale and retail.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

The financial statements have been prepared on the historical cost basis, except for certain financial instruments that have been measured at fair value.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) and the requirements of the Companies Act, 2019 (Act 992). The Company considers the following to be the most important accounting policies. In applying these accounting policies, management makes certain judgements and estimates that affect the reported amounts of assets and liabilities at the end of the period and the reported revenues and expenses during the financial year. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2 Functional and Presentation Currency

Items included in the Company’s financial statements are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The financial statements are presented in Ghana Cedi (GH¢), which is the Company’s presentation currency.

2.3 Amended Standards Adopted by the Company

The Company has applied the following standards and amendments since 1 January 2020.

- Definition of Material-amendments to IAS 1 and IAS 8
- Definition of a Business-amendments to IFRS 3
- Interest Rate Benchmark Reform-amendments to IFRS 9, IAS 39 and IFRS 7
- Revised Conceptual Framework for Financial Reporting

2.4 Application of new and revised International Financial Reporting Standards (IFRSs) that are effective for the current year but with no material impact upon adoption

In the current year, the Company applied a number of amendments to IFRS Standards and Interpretations issued by the IASB that are effective for annual periods that begin on or after 1 January 2025. Their adoption has not had any material impact on disclosures or amounts reported in these financial statements.

IFRS S1 Sustainability-related financial disclosures

IFRS S1 requires an entity to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity’s cash flows, its access to finance

or cost of capital over the short, medium or long term (collectively referred to as 'sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects').

It also prescribes how an entity prepares and reports its sustainability-related financial disclosures. It sets out general requirements for the content and presentation of those disclosures so that the information disclosed is useful to users in making decisions relating to providing resources to the entity.

IFRS S2 Climate-related disclosures

IFRS S2 sets out the requirements for disclosing information about an entity's climate-related risks and opportunities. In particular, IFRS S2 requires an entity to disclose information that enables users of general-purpose financial reports to understand:

- the governance processes, controls and procedures the entity uses to monitor, manage and oversee climate-related risks and opportunities;
- the entity's strategy for managing climate-related risks and opportunities;
- the processes the entity uses to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process; and
- the entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related target it has set, and any target it is required to meet by law or regulation.

Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements

The Amendments require entities to provide certain specific disclosures (qualitative and quantitative) related to supplier finance arrangements. The Amendments also provide guidance on characteristics of supplier finance arrangements, the presentation requirements for liabilities and associated cash flows arising out of supply chain financing arrangements and related disclosures.

Amendments to IFRS 16 Lease Liability in a Sale and Leaseback

The Amendments provide a requirement for the seller-lessee to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

Amendments to IAS 1 Classification of Liabilities as Current or Non-Current

The amendments require that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement for at least twelve months after the reporting period.

Amendments to IAS 1 Non-current Liabilities with Covenants

This is a further clarification to the initial amendment to IAS 1. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period.

Annual Improvements to IFRS Standards 2018–2023 Cycle

The Company has adopted the amendments included in the *Annual Improvements to IFRS Standards 2018–2023 Cycle* with no material impact including the following amendments:

Amendments to IAS 37 – Onerous Contracts—Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated.

Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after 1 January 2023, with early application permitted.

Amendments to IFRS 3 – Reference to the Conceptual Framework

The amendments update IFRS 3 so that it refers to the 2018 *Conceptual Framework* instead of the 1989 *Framework*.

They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 *Levies*, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2023. Early application is permitted if an entity also applies all other updated references (published together with the updated *Conceptual Framework*) at the same time or earlier.

IFRS 9 Financial Instruments- Fees in the 10% test for derecognition of Financial Liabilities

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The amendments are effective for annual periods beginning on or after 1 January 2023, with early application permitted.

IFRS 10 and IAS 28 (amendments) - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that

associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the IASB; however, earlier application of the amendments is permitted.

Amendments to IAS 16 – Property, Plant and Equipment—Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.

Performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Amendments to IAS 1 and IAS 8 Definition of material

The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'.

The definition of material in IAS 8 has been replaced by reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the *Conceptual Framework* that contain a definition of material or refer to the term 'material' to ensure consistency.

The amendments are applied prospectively for annual periods beginning on or after 1 January 2021, with earlier application permitted.

Amendments to IFRS 3 Definition of a business

The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

Additional guidance is provided that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all the fair value of the gross assets acquired is concentrated in a single identifiable asset or Company of similar assets.

The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after the first annual reporting period beginning on or after 1 January 2021, with early application permitted.

Impact of the initial application of *Covid-19-Related Rent Concessions Amendment to IFRS 16*

In May 2021, the IASB issued *Covid-19-Related Rent Concessions (Amendment to IFRS 16)* that provides practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying IFRS 16 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all the following conditions are met:

- a. The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- b. Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and
- c. There is no substantive change to other terms and conditions of the lease.

Amendments to IAS 28 *Long-term Interests in Associates and Joint Ventures*

The amendment clarifies that IFRS 9, including its impairment requirements, applies to other financial instruments in an associate or joint venture to which the equity method is not applied. These include long-term interests that, in substance, form part of the entity's net investment in an associate or joint venture. The Company applies IFRS 9 to such long-term interests before it applies IAS 28. In applying IFRS 9, the Company does not take account of any adjustments to the carrying amount of long-term interests required by IAS 28 (i.e., adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

Amendments to IFRS 9 *Prepayment Features with Negative Compensation*

The amendments to IFRS 9 clarify that for the purpose of assessing whether a prepayment feature meets the 'solely payments of principal and interest' (SPPI) condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, financial assets with prepayment features with negative compensation do not automatically fail SPPI.

IAS 12 Income Taxes

The amendments clarify that the Company should recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the Company originally recognised the transactions that generated the distributable profits. This is the case irrespective of whether different tax rates apply to distributed and undistributed profits.

IAS 23 Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

IFRS 3 Business Combinations

The amendments clarify that when the Company obtains control of a business that is a joint operation, the Company applies the requirements for a business combination achieved in stages, including remeasuring its previously held interest (PHI) in the joint operation at fair value. The PHI to be remeasured includes any unrecognised assets, liabilities and goodwill relating to the joint operation.

Amendments to IAS 19 Employee Benefits Plan Amendment, Curtailment or Settlement

The amendments clarify that the past service cost (or of the gain or loss on settlement) is calculated by measuring the defined benefit liability (asset) using updated assumptions and comparing benefits offered and plan assets before and after the plan amendment (or curtailment or settlement) but ignoring the effect of the asset ceiling (that may arise when the defined benefit plan is in a surplus position). IAS 19 is now clear that the change in the effect of the asset ceiling that may result from the plan amendment (or curtailment or settlement) is determined in a second step and is recognised in the normal manner in other comprehensive income.

The paragraphs that relate to measuring the current service cost and the net interest on the net defined benefit liability (asset) have also been amended. The Company will now be required to use the updated assumptions from this remeasurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. In the case of the net interest, the amendments make it clear that for the period post plan amendment, the net interest is calculated by multiplying the net defined benefit liability (asset) as remeasured under IAS 19 with the discount rate used in the remeasurement (also taking into account the effect of contributions and benefit payments on the net defined benefit liability (asset)).

IFRIC 23 Uncertainty over Income Tax Treatments

IFRIC 23 sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The Interpretation requires the Company to:

- determine whether uncertain tax positions are assessed separately or as a Company; and
- assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings.

If yes, the Company should determine its accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings.

If no, the Company should reflect the effect of uncertainty in determining its accounting tax position using either the most likely amount or the expected value method.

Amendment to IAS 21 Lack of Exchangeability (Effective from 1 January 2025)

The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. IAS 21, prior to the

Amendments, did not include explicit requirements for the determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice.

New and revised IFRS Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective.

Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (Effective from 1 January 2026)

The Amendments permit an entity to early adopt only the amendments related to the classification of financial assets and the related disclosures and apply the remaining amendments later. This would be particularly useful to entities that wish to apply the Amendments early for financial instruments with ESG (Environmental, Social and Governance)-linked or similar features.

The Amendments may significantly affect how entities account for the derecognition of financial liabilities and how financial assets are classified.

IFRS 18 Presentation and Disclosure in Financial Statements (Effective from 1 January 2027)

The aim of the IASB in publishing IFRS 18 is to improve comparability and transparency of companies' performance reporting. IFRS 18 has also resulted in narrow changes to the statement of cash flows, sets out significant new requirements for how financial statements are presented, with particular focus on:

- The statement of profit or loss, including requirements for mandatory sub-totals to be presented. IFRS 18 introduces requirements for items of income and expense to be classified into one of five categories in the statement of profit or loss. This classification results in certain sub-totals being presented, such as the sum of all items of income and expense in the operating category comprising the new mandatory 'operating profit or loss' sub-total. Aggregation and disaggregation of information, including the introduction of overall principles for how information should be aggregated and disaggregated in financial statements.
- Disclosures related to management-defined performance measures (MPMs), which are measures of financial performance based on a total or sub-total required by IFRS Accounting Standards with adjustments made (e.g. 'adjusted profit or loss'). Entities will be required to disclose MPMs in the financial statements with disclosures, including reconciliations of MPMs to the nearest total or sub-total calculated in accordance with IFRS Accounting Standards.

3. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented unless otherwise stated.

3.1 Basis of Accounting

The financial statements have been prepared under the historical cost convention as modified to include the fair valuation of certain financial instruments to the extent required or permitted under the Company's accounting policies and set out below:

3.2 Foreign Currency Transactions

The Company's foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognized in the profit and loss account.

3.3.1 Uses of Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

3.3.2 Property, Plant and Equipment Recognition

Property, plant and equipment held for use in the production or supply of goods, or for administrative purposes are stated in the statement of financial position at historical cost less depreciation. Historical cost includes the expenditure that is directly attributable to the acquisition of these items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Assets in the course of construction are carried at cost less any recognised impairment loss. Cost includes professional fees and other costs directly attributable to the completion of the assets.

Depreciation/Amortisation

Leasehold land is depreciated over the unexpired portion of the lease. Depreciation on other assets is calculated using the straight-line method to allocate their cost over their estimated useful lives, as follows:

Asset Category	Useful Life
Leasehold land	Over the unexpired portion of the lease
Buildings	15 – 33 years
Motor vehicles:	
Distribution Trucks	8 years
Other motor vehicles	5 years
Deep freezers and bicycles	5 years
Computers	3 years
Furniture and Fittings	5 years
Plant and Machinery	10 years

Included in plant and machinery in note 11 are the cost and depreciation of deep freezers and bicycles, computers and furniture and fittings. The cost of distribution trucks is included in motor vehicles.

The assets' residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period. Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Any asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other gains/(losses) in profit or loss.

Impairment of Non-Financial Assets

At the end of each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent

of the impairment loss (if any). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. Fair value less costs to sell is determined as the amount obtainable from the sale of the asset in an arm's length transaction between knowledgeable and willing parties, less the costs of disposal.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or CGU) is estimated to be less than the carrying amount, the carrying amount of the asset (CGU) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately in profit or loss.

3.4 Intangible Assets (Computer Software)

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring the specific software to use. These costs are amortised over their estimated useful lives of three to five years

3.5 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of individual items of inventory are determined using the weighted average costs. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads, based on normal operating capacity. It excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Spare parts are generally treated as inventories. As they are usually used for maintenance and repairs, their cost is expensed when used. However, there are exceptions where:

- Major spare parts are recorded as property, plant and equipment when the Company expects to use them over periods of more than one year; and
- Spare parts that can be used only in connection with an item of property, plant and equipment, so as to extend its useful life or to substantially improve its performance, are recorded as property, plant and equipment.

3.6 Financial Assets and Liabilities

Financial Assets Classification

The Company has one type of financial asset that is subject to the expected credit loss model, which are trade receivables from contracts with customers. The Company classifies its financial assets as 'financial assets measured at amortised cost'.

Financial instruments are classified as 'financial assets at amortised cost' when both criteria outlined below are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Recognition and Derecognition

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights

to receive cash flows from the financial assets expire or are transferred and the Company transfers substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures its financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent to initial recognition, these assets are measured at amortised cost using the effective interest rate method. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented together with foreign exchange gains and losses. Impairment losses are presented as separate line item in profit or loss.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Impairment of Financial Assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

The Company recognises a 100% impairment loss on receivables exceeding 180 days. The Company's expected loss rates used in calculating impairment losses are based on the payment profiles of sales customers and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

While cash and cash equivalents and amounts due from related parties are also subject to the impairment requirements of IFRS 9, there was no identified material impairment loss.

3.7 Trade Receivables

Trade receivables are amounts due from customers for merchandise sold in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. The impairment provision is determined using the expected credit loss model by considering cash short falls in various default scenarios.

3.8 Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, minus directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

Subsequent measurement of financial liabilities

Financial liabilities are subsequently measured at amortised cost.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement. For non-substantial modifications, a gain or loss is recognised at the time of the modification.

3.9 Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised at fair value.

3.10 Cash and Cash Equivalents

Cash and cash equivalents is purely deposits held at call and interest earnings on current accounts.

3.11 Share Capital

The proceeds of ordinary shares are classified as 'stated capital' in equity.

3.12 Taxation

The amount recognised as income tax expense for the period comprises current tax, prior-year tax adjustments, and deferred income tax. Income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax

Current tax liabilities for the current and prior periods are measured at the amount expected to be paid to the taxation authorities. The tax rate and tax laws used to compute the amount are those enacted or substantively enacted by the statement of financial position date.

Deferred income tax

Deferred tax is recognised using the liability method on all temporary differences arising between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at year end.

Deferred income tax assets are recognised for all deductible temporary differences, unused tax credits, and unused tax losses, but only to the extent that it is probable that sufficient taxable profit will be available to utilise the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses.

Deferred tax assets and deferred tax liabilities are offset only when the Company has a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred tax

assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

3.13 Dividends

Dividends on ordinary shares are charged to equity in the period in which they are approved by the Company's shareholders.

3.14 Revenue Recognition

The Company derives its revenue from the sale of goods. The Company produces and sells a range of dairy products through agents and distributors. Revenue is recognised when control of the goods transfers to the customer, which occurs upon delivery of the products.

Sales agents do not have full discretion over the price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location. The risks of obsolescence and loss are not transferred to the agents and distributors. The products are often sold with retrospective volume discounts based on aggregate monthly sales. The product disaggregation is disclosed in Note 5.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

All recognised discounts payable to customers in relation to sales made until the end of the reporting period are recognized during the period. No element of financing is deemed present as sales are made with a credit term of between 8 to 45 days, which is consistent with market practice. The Company's obligation to replace damaged or expired products under the sales terms is recognised as a provision.

3.15 Employee Benefits

Pension Obligations

The Company operates a defined contribution pension plan. A defined contribution pension plan is a pension plan under which the Company pays fixed contributions to a separate entity. The Company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service. The contributions are recognised as employee benefit expense when they are due.

Long service awards

The Company gives awards to all employees to recognise and reward members of staff for continuous and dedicated service. Employees are rewarded for periods of service in excess of 5 years. Liabilities for long service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period.

3.16 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an administrative expense.

3.17 Earnings Per Share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.18 Segment Reporting

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for the allocation of resources and assessing performance of the operating segments.

3.19 Contingent Liabilities

Contingent liabilities are potential liabilities that arise from past events, the existence of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events, which are not wholly within the control of the Company. Provisions for liabilities are recorded when a loss is considered probable and can be reasonably estimated.

The amount is determined as the potential undiscounted amount of all future payments that the Company could be required to make if an adverse decision occurs against the Company.

3.20 Leases

The Company leases one warehouse and entered into a non-cancellable lease agreement with a transport service limited in June 2021. Rental contracts are typically made for fixed periods of 5 years but may have extension options. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received.
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Payments associated with short-term leases of buildings are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Extension and termination options

Extension and termination options are included in the lease contract. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The extension options held are solely exercisable by both the Company and the respective lessor.

4. Critical Accounting Estimates and Judgements

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Because of the inherent uncertainties in this evaluation process, actual gains or losses may be different from the originally estimated provision. In addition, estimates are subject to change as new information becomes available and changes subsequent to these estimates may significantly affect future operating results. Management also exercises judgement consistently on an ongoing basis in applying the Company's accounting policies.

4.1 Estimated Useful Lives of Property, Plant and Equipment

Critical estimates are made by the Directors in determining depreciation rates for property, plant and equipment. The rates used are set out in note 3.3.2. Should the estimated useful lives of the property and equipment differ by 1% from management's estimates, the carrying amount of the property and equipment will change by an estimated GH¢158,828 (2024: GH¢255,493) higher or lower.

4.2 Income Taxes

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current income tax and deferred income tax provisions in the period in which such determination is made.

4.3 Impairment of Account Receivables

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting inputs for the impairment calculation; based on the Company's history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4.4 Employee Benefit Obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost include the turnover rate and inflation rate. Any changes in these assumptions will impact the carrying amount of employee benefit obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that is applied to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds that are denominated in the currency in which the

benefits will be paid, and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for pension obligations are based in part on current market conditions.

4.5 Leases

Critical Judgement in Determining the Lease Term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For lease of the warehouses the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).

Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Extension options in warehouse have not been included in the lease liability, because the Company could replace the assets without significant cost or business disruption.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it.

The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. During the current financial year, there was no revision made in lease terms to exercise extension and termination options.

5. Revenue

	2025	2024
Net Sales	1,000,667	683,822
Gross Sales by Product Type		
Dairy	1,039,787	600,449
Juice	5,049	738
Ice Cream	99,240	70,925
Plant base milk	8,076	126,897
Gross sales	1,152,152	799,009
Rebates	(151,485)	(115,187)
	1,000,667	683,822

6. Expense by Nature

Raw Materials and Consumables	464,229	321,336
Employee Benefits Expense (Note 6a)	119,763	80,059
Depreciation - Plant, Property and Equipment (Note 11)	25,937	25,550
Amortisation Of Intangible Assets (Note 13)	723	254
Depreciation - Right of Use Assets (Note 12)	2,128	1,695
Repairs And Maintenance	68,619	27,301
Vehicle Running Expenses	1,210	1,101
Utilities	42,804	38,542
Fuel	8,638	5,499
Insurance	2,326	2,002
Sales Promotion and Advertising Expenses	12,932	13,958
Auditor's Remuneration	440	400
Directors' Emoluments	952	948
Donations	180	19
Transportation Expenses	61,869	46,245
Impairment Charge (Note 15)	543	3,252
Information Technology Expenses	3,189	3,588
Outsourced Labour Costs	11,396	7,888
Communication Expenses	1,756	1,643
Security Services Expenses	1,524	1,477
Short Term Rent Expenses	87	197
Environmental And Social Responsibility Expenses	252	192
Net Exchange Loss/(Gain)	5,255	(18,230)
Consultancy Expenses	24,300	15,415
Medical Expenses	6,280	3,920
Other Expenses	31,807	16,018
Other Factory Expenses	12,791	10,203
	-----	-----
	911,930	610,472
	=====	=====

6(a). Expenses by nature have been disclosed in the statement of comprehensive income as follows:

	2025	2024
Cost of Sales	636,169	435,537
Distribution Costs	172,223	120,681
Impairment of Financial Assets	543	3,252
Administrative Expenses	102,995	51,002
	-----	-----
	911,930	610,472
	=====	=====

Depreciation charge on right-of-use assets has been classified in distribution costs.

Employee Benefit Expense comprises:

	2025	2024
Wages, Salaries and Allowances	111,461	73,935
Pension Costs	5,813	4,255
Long Service Awards Expense	129	316
Provident Fund Costs	2,035	1,553
Termination and Severance Award	325	-
	-----	-----
	119,763	80,059
	=====	=====

The total number of staff employed by the Company as at 31 December 2025 was 330 (2024: 292).

7. Other Income

Profit on Disposal of Plant and Equipment	-	181
Insurance claim	2,418	-
Sales of Empty Bags and Scraps	587	328
Rental Income	447	1,497
Bad Debts Recovered	1,401	2,071
Provisions no Longer Required	2,531	213
	-----	-----
	7,384	4,290
	=====	=====

8. Finance Income

Interest income on bank and call accounts	13,378	7,942
	=====	=====

9. Finance Costs

Interest Expense on Agents' Savings	3,736	2,667
Interest on Lease Liability	1,502	1,418
Interest on loans	-	8,576
	-----	-----
	5,238	12,661
	=====	=====

10. Income Tax Expense

	2025	2024
Current income tax charge (Note 23)	51,299	20,698
Deferred tax (Note 19)	(17,977)	945
	-----	-----
	33,322	21,643
Growth and sustainability levy (Note 23)	2,606	1,823
	-----	-----
	35,928	23,466
	=====	=====

11. Property Plant and Equipment

	Leasehold Land	Buildings	Motor Vehicles	Plant & Machinery	Work In Progress	Total
2025						
Cost						
At 1 January	3,830	51,578	26,996	263,174	42,431	388,009
Additions	-	-	-	-	31,717	31,717
Transfers	7,816	-	5,508	32,582	(45,906)	-
Reclassification	-	-	-	-	(8,313)	(8,313)
Write-off	-	-	(156)	-	-	(156)
At 31 December	<u>11,646</u>	<u>51,578</u>	<u>32,348</u>	<u>295,756</u>	<u>19,929</u>	<u>411,257</u>
Depreciation						
At 1 January	1,308	23,203	23,994	176,539	-	225,044
Charge for the year	189	2,695	1,281	21,772	-	25,937
Write-off	-	-	(156)	-	-	(156)
At 31 December	<u>1,497</u>	<u>25,898</u>	<u>25,119</u>	<u>198,311</u>	<u>-</u>	<u>250,825</u>
Net Book Value	<u>10,149</u>	<u>25,680</u>	<u>7,229</u>	<u>97,445</u>	<u>19,929</u>	<u>160,432</u>
2024						
Cost						
At 1 January	3,830	51,405	31,899	269,606	11,085	367,825
Additions	-	-	-	-	39,968	39,968
Transfers	-	173	1,638	6,811	(8,622)	-
Disposals	-	-	(6,541)	(12,736)	-	(19,277)
Write off	-	-	-	(507)	-	(507)
At 31 December	<u>3,830</u>	<u>51,578</u>	<u>26,996</u>	<u>263,174</u>	<u>42,431</u>	<u>388,009</u>
Depreciation						
At 1 January	1,234	20,587	28,170	164,722	-	214,713
Charge for the year	74	2,616	1,341	21,519	-	25,550
Disposals	-	-	(5,517)	(9,195)	-	(14,712)
Write off	-	-	-	(507)	-	(507)
At 31 December	<u>1,308</u>	<u>23,203</u>	<u>23,994</u>	<u>176,539</u>	<u>-</u>	<u>225,044</u>
Net Book Value	<u>2,522</u>	<u>28,375</u>	<u>3,002</u>	<u>86,635</u>	<u>42,431</u>	<u>162,965</u>

Profit on Disposal of Plant and Machinery	2025	2024
Cost	-	19,277
Accumulated Depreciation	-	(14,712)
Net book value	-	4,565
Sales proceeds	-	(4,746)
Profit on disposal	-	(181)

12. Leases

Right-of-use assets

	Buildings (Warehouse)	Vehicles	Total
2025			
Cost			
At 1 January	4,657	9,301	13,958
At 31 December	4,657	9,301	13,958
Depreciation			
At 1 January	4,657	5,596	10,253
Charge for the year	-	2,128	2,128
At 31 December	4,657	7,724	12,381
Carrying Amount	-	1,577	1,577
2024			
Cost			
At 1 January	4,657	9,301	13,958
Additions	-	-	-
At 31 December	4,657	9,301	13,958
Depreciation			
At 1 January	4,657	3,901	8,558
Charge for the year	-	1,695	1,695
At 31 December	4,657	5,596	10,253
Carrying Amount	-	3,705	3,705

Disclosures on leases in the statement of financial position are as follows:

	2025	2024
Right-Of-Use Assets-Carrying Value	<u>1,577</u>	<u>3,705</u>
Lease Liabilities:		
Current Lease Liabilities	1,997	2,272
Non-Current Lease Liabilities	<u>263</u>	<u>2,257</u>
	<u>2,260</u>	<u>4,529</u>

Disclosures on leases in the statement of profit and loss are as follows:

Depreciation:		
Vehicles	<u>2,128</u>	<u>1,695</u>
Payments with respect to lease:		
Principal	2,432	2,002
Interest	<u>1,502</u>	<u>1,418</u>
	<u>3,934</u>	<u>3,420</u>

13. Intangible Assets

	2025	2024
Cost		
At 1 January	2,218	2,218
Additions	<u>2,893</u>	<u>-</u>
At 31 December	<u>5,111</u>	<u>2,218</u>
Amortisation		
Balance at 1 January	2,218	1,964
Charge for the year	<u>723</u>	<u>254</u>
At 31 December	<u>2,941</u>	<u>2,218</u>
Carrying Amount		
At 31 December	<u>2,170</u>	<u>-</u>

14. Inventories

Raw materials	75,428	85,530
Finished goods	10,552	5,245
Work in progress	115	538
Goods in transit	2,813	7,898
Consumables	<u>10,547</u>	<u>14,995</u>
	<u>99,455</u>	<u>114,206</u>

15. Trade and Other Receivables

	2025	2024
Trade Receivables	28,319	24,457
Impairment Allowance	(2,205)	(5,594)
	-----	-----
Trade Receivables - Net	26,114	18,863
Due from Related Companies	105,422	165,230
Other Receivables	1,910	2,243
Due from Staff	3,066	930
Prepayments	5,207	5,621
	-----	-----
	141,719	192,887
	=====	=====

The maximum amount due from staff during the year was GH¢3,066,000 (2024: GH¢931,000).

The movement on impairment allowance for trade receivables is as follows:

	2025	2024
At 1 January	5,594	6,565
Impairment Allowance	543	3,252
Bad Debts Recovered	(1,401)	(2,071)
Release	(2,531)	(2,152)
	-----	-----
At 31 December	2,205	5,594
	=====	=====

16. Taxation

The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

	2025	2024
Profit before Tax	104,261	72,921
	=====	=====
Tax Charged		
Trade Receivables - Net		
Local Sales (88.10% @ 25%)	22,963	16,061
Export Sales (11.90% @ 8%)	993	694
	-----	-----
	23,956	16,755
Tax effect of:		
Expenses not deductible in determining taxable profit	34,100	22,060
Income Not Taxable	(3,968)	(6,247)
Other Timing Differences	(11,352)	(9,221)
2024 Excess Finance Cost B/F	-	(2,649)
CIT on royalties-2021/2022	8,563	
Growth And Sustainability Levy	2,606	1,823
Movement In Deferred Tax	(17,977)	945
	-----	-----
	35,928	23,466
	=====	=====

The effective corporate tax rate for the year ended 31 December 2025 was **34.46%** (2024: 32.18%)

17. Cash and Cash Equivalents

	2025	2024
Cash at Bank	220,394	101,650
Deposits on Call	11,219	7,455
	-----	-----
	231,613	109,105
	=====	=====

18. Stated Capital

The authorised number of shares of the Company is 197,500,000 ordinary shares of no-par value; out of which issues and the consideration received are as follows:

Issued	No. of shares	Amount
For cash	19,785	19
Bonus issue	96,422	4,000
Capitalised from retained earnings	-	5,981
	-----	-----
	116,207	10,000
	=====	=====

There was no change in the authorised and issued number of shares of the Company during the year. There is no share in treasury and no call or instalment unpaid on any share.

19. Deferred tax

Deferred tax is calculated in full on temporary differences under the liability method using the enacted income tax rate of 25% (2024: 25%). There were no unrecognised tax assets as at 31 December 2025. (2024: Nil). The movement in deferred income tax is as follows:

	At 1 January	(Credit)/Charge to profit or loss	At 31 December
2025			
Deferred tax liabilities			
Property, plant and equipment on historical cost basis	4,143	(7,455)	(3,312)
Right-of-use assets	(1,114)	74	(1,040)
Provision for staff leave	(621)	(1)	(622)
General provision - Trade	1,252	(1,135)	117
General provision - Non-Trade	(10,121)	(10,309)	(20,430)
Provision - invoices over 180 days	(1,399)	849	(550)
	-----	-----	-----
	(7,860)	(17,977)	(25,837)
	=====	=====	=====
2024			
Deferred tax liabilities			
Property, plant and equipment on historical cost basis	6,893	(2,750)	4,143
Right-of-use assets	(948)	(166)	(1,114)
Provision for staff leave	(622)	1	(621)
General provision - Trade	(3,266)	4,518	1,252
General provision - Non-Trade	(5,968)	(4,153)	(10,121)
Provision - invoices over 180 days	(1,641)	242	(1,399)
Provision for long service awards	(142)	142	-
Excess financial cost - 2024	(3,111)	(3,111)	-
	-----	-----	-----
	(8,805)	945	(7,860)
	=====	=====	=====

20. Employee Benefit Obligations

The Company operates an employee benefit plan for its employee based on the length of service. The Company's legal or constructive obligation, except for inflationary risk, is limited to the amount due when the employee qualifies for the next level of long service award.

	2025	2024
Long service award	804	933
	===	====

The movement in the net defined benefit obligation and the amounts recognised in the statement of financial position are as follows:

	2025	2024
Present value of obligation		
At 1 January	933	570
Addition to/(Reversal of) provision for long service awards	(129)	363
	----	----
At 31 December	804	933
	===	====
Non-current Portion of employee benefits obligations	491	774
Current Portion of employee benefits obligations	313	159
	----	----
	804	933
	===	====

The significant actuarial assumptions applied are as follows:

Attrition rate	11.3%	11.7%
Inflation rate	5.4%	24.1%
	====	====

21. Trade and Other Payables

Trade Payables	38,642	51,735
Due To Related Companies	111,358	135,162
Other Payables	87,738	77,619
Accrued Expense	83,007	39,066
	-----	-----
	320,745	303,582
	=====	=====

The carrying amounts of the above trade and other payables approximate their fair values due to their short-term nature.

22. Dividend payable

	2025	2024
Balance at 1 January	601	2,961
Dividend Declared	9,300	5,811
Dividend paid	(9,300)	(8,171)
	-----	-----
Balance at 31 December	601	601
	====	====

Dividends paid are subject to withholding tax at a rate of 8%. The Directors recommend the payment of a dividend of GH¢0.11 per share amounting to GH¢12.8 million for the year ended 31 December 2025 (2024: GH¢0.08 per share amounting to GH¢9.3 million).

23. Current Income Tax

Year of Assessment	At 1 Jan	Charge for the year	Payments	At 31 Dec
Up to 2019	157	-	-	157
2020	(3,056)	-	-	(3,056)
2021	-	-	-	-
2022	2,105	-	(8,564)	(6,459)
2023	(104)	-	-	(104)
2024	7,640	-	(6,115)	1,525
2025	-	51,299	(36,762)	14,537
	-----	-----	-----	-----
	6,742	51,299	(51,441)	6,600

Growth and Sustainability Levy

2024	1,606	-	(1,159)	447
2025	-	2,606	(3,026)	(420)
	-----	-----	-----	-----
	8,348	53,905	(55,626)	6,627
	=====	=====	=====	=====

24. Cash generated from Operations

Reconciliation of net profit/(loss) before tax to cash generated from operations:	2025	2024
Profit Before Tax	104,261	72,921
Depreciation (Note 11)	25,937	25,550
Impairment Of Financial Assets	543	3,252
Amortisation Of Intangible Assets (Note 13)	723	254
Depreciation Charge On Right-Of-Use Assets (Note 12)	2,128	1,695
Interest Paid (Including Interest On ROU) (Note 9)	5,238	12,661
Finance Income (Note 8)	(13,378)	(7,942)
Profit On Disposal of Property, Plant & Equipment (Note 11)	-	(181)
Tax Adjustments	-	1,651
Changes In Working Capital:	14,751	(8,652)
(Increase)/Decrease In Inventories		
Decrease/(Increase) In Trade & Other Receivables (Less Interest Receivable on Staff Loan And Impairment On Financial Assets)	58,843	50,279
Increase In Employee Benefit Obligations	129	363
Increase/(Decrease) In Trade And Other Payables	17,161	7,519
	-----	-----
Cash Generated from Operations	216,336	159,370
	=====	=====

25. Related party disclosures

Fan Milk International A/S holds 62.11% of the Company's issued ordinary shares in Fan Milk Plc. Fan Milk International A/S is the majority shareholder of the Company and has other holdings in Fan Milk Plc (Nigeria), Fan Milk S.A. (Togo), Fan Milk SARL (Benin), Fan Milk Côte d'Ivoire S.A, and Fan Milk West Africa Limited. These Companies are therefore entities related through common control. In the normal course of business, the Company entered into the following transactions with related parties:

	2025	2024
Goods Purchased	-	359
Cote D'Ivoire	3,017	3,004
Alpro	22,657	26,558
Danone SA	792	-
Danone South Africa	-	1,209
Nigeria	=====	=====
	26,466	31,130
	=====	=====
Goods sold	34,680	44,547
Togo	47,657	49,376
Cote D'Ivoire	-	8,496
Fan Milk W/A	-	6,367
Nigeria	=====	=====
	82,337	108,786
	=====	=====

Outstanding balances arising from sales and purchases of goods and services are as below:

Due to related companies	2025	2024
Fan Milk International A/S	52,948	76,013
Danone SA	43,544	34,147
Fan Milk Togo	7,930	12,039
Fan Milk West Africa	-	4,798
Fan Milk Cote D'Ivoire	6,936	8,165
	=====	=====
	111,358	135,162
	=====	=====

The amount due from and due to related companies are unsecured. No guarantees were issued by the Company to its related companies during the years ended 31 December 2025 and 31 December 2024.

Due from related companies	2025	2024
Fan Milk Nigeria	6,143	12,820
Fan Milk Cote D'Ivoire	32,439	35,710
Fan Milk Togo	66,840	102,747
Fan Milk West Africa	-	13,587
Central Danone	-	366
	=====	=====
	105,422	165,230
	=====	=====

	2025	2024
Transaction with key Management Personnel		
Remuneration	948	466
Non-executive Directors (short-term benefits)	=====	=====
26. Earnings per share		
Profit for the year	68,333	49,455
	2025	2024
Number of Ordinary Shares Issued	116 207	116 207
Basic And Diluted Earnings per share (GH¢)	0.588	0.426
	=====	=====

There are no share options or potential rights issues, hence diluted earnings per share are the same as the basic earnings per share.

27. Contingent Liabilities

There were no contingent assets/liabilities as at the reporting date and as at 31 December 2024.

28. Financial risk management objectives and policies

Financial risk factors

The Company's activities expose it to a variety of risks, including financial, market (including foreign exchange and interest rate), credit and liquidity risks. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects those risks may have on its financial performance. The Company does not hedge any of its risk exposures. Risk management is carried out by management of the Company under policies approved by the Board of Directors.

Market Risk

Foreign exchange risk

Foreign exchange risk arises as a result of cash, accounts receivable and accounts payable balances that are denominated in foreign currency. The Company seeks to reduce its foreign exchange risk exposure through a policy of matching, as far as possible, assets and liabilities denominated in foreign currencies. The Company imports raw materials, spare parts and equipment from overseas and is therefore exposed to foreign exchange risks arising from Euro and United States Dollar exposures.

Management is responsible for minimising the effect of the currency exposure by holding bank accounts in foreign currencies.

Interest Rate Risk

The sensitivity analysis for interest rate risk shows how changes in the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates at the reporting date.

Credit risk

Financial instruments that potentially subject the Company to credit risk are primarily cash and cash equivalents and trade and other receivables. Trade and other receivables are mainly derived from sales to customers and amount due from related parties. The Company does not have any significant concentrations of credit risk. The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for trade receivables. The expected credit losses also incorporate forward looking information.

Trade and other receivables consist of invoiced amounts from normal trading activities and amount due from related parties. Strict credit control is exercised through monitoring of cash received from customers and other parties and, when necessary, provision is made for specific doubtful accounts.

As at 31 December 2025, management was unaware of any significant unprovided credit risk (2024: Nil)

The Company manages credit risk relating to cash and cash equivalents by transacting banking business with only financial institutions licensed by the Bank of Ghana.

The table below shows the maximum exposure to credit risk by class of financial instruments:

	2025	2024
Cash and Cash Equivalents (Excluding Cash on Hand)	231,613	109,105
Trade Receivables (Third Parties)	26,114	18,863
Amount Due from Related Companies	105,422	165,230
Due from Staff	3,066	930
Other Receivables (Excluding Prepayments)	1,910	2,243
	-----	-----
Total Credit Exposure	368,125	296,371
	=====	=====

Agents' savings amounting to GH¢43.6 million (2024: GH¢29.7 million) are held as collateral against trade receivables.

The expected loss rates are based on the payment profiles of sales customers and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information. Due to the number of debtors and the credit life of receivables, management incorporates forward looking information into the impairment provisions based on feedback received from sales cluster heads. Cluster heads visit agents twice a week averagely. Based on these visits, any relevant forward-looking information that is gathered on the operations of the agents and their ability to honour their obligations is communicated to the accounts receivable team.

On that basis, the loss allowance as at 31 December 2025, has been estimated as follows:

	Not yet Due	0 to 30 days	31 to 60 days	61 to 90 days	Above 90 days	Total
2025						
Gross carrying amount	24,813	894	588	32	1,992	28,319
Expected credit loss rate	0.73%	0.85%	0.84%	60%	100%	
Loss allowance	181	8	5	19	1,992	2,205
	==	==	==	==	==	==

The Company assessed third party receivables balances to determine their expected credit losses. Based on this assessment, the identified expected credit loss was estimated at GH¢2.205 million at 31 December 2025 (2024: GH¢5.594 million).

Liquidity Risk

The Company evaluates its ability to meet its obligations on an ongoing basis. Based on these evaluations, the Company devises strategies to manage its liquidity risk. Prudent liquidity risk management implies that sufficient cash is maintained, and that sufficient funding is available through an adequate amount of committed credit facilities.

The Company places cash in interest bearing current account to provide sufficient funding to meet its obligations. At the end of the reporting date, bank accounts, cash held on call and current accounts was **GH¢231.6 million** (2024: GH¢109.11 million).

Materiality analysis of financial liabilities:

The table below analyses the maturity profile of the Company's financial liabilities.

	2025			2024		
	Within 12 months	Over 12 months	Total	Within 12 months	Over 12 months	Total
Trade and other payables excluding non-financial liabilities	237,609	-	237,609	264,516	-	264,516
Lease liabilities	263	1,997	2,260	2,272	2,257	4,529
	<u>237,872</u>	<u>1,997</u>	<u>239,869</u>	<u>266,788</u>	<u>2,257</u>	<u>269,045</u>

Fair values of financial assets and liabilities

The carrying amounts of all financial assets and liabilities are a reasonable approximation of their fair value, because of their short-term nature.

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows at the statement of financial position date.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Financial assets at amortised cost	2025	2024
Trade and other receivables (excluding non-financial assets)	28,024	21,106
Amount due from related parties	105,422	165,230
Cash and cash equivalents	231,613	109,105
Amount due from staff	3,066	930
	-----	-----
	368,125	306,050
	=====	=====

29. Fair values of financial assets and liabilities

Financial liabilities at amortised cost

Trade and other payables (excluding non-financial liabilities)	237,738	264,516
	=====	=====

The Company discloses the fair value measurements by level of the following fair value measurement hierarchy:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, no observable inputs).

The carrying value of the Company's financial assets and liabilities approximates its fair value.

30. Capital Commitments

There were no capital commitments at the end of the year. (2024: Nil).

31. Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders to maximise shareholder value and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

32. Segment Reporting

Management has determined the operating segments based on the reports reviewed by the Heads of Department. These reports are used to make strategic decisions. The Company considers the business from a product perspective.

The reportable operating segments derive their revenue from the manufacture and distribution of dairy products, fruit drinks and Plant Based Milk. Ninety-six percent of the Company's revenue is derived from sale of dairy products, and the remaining four percent is derived from sale of fruit drinks and plant-based milk. Management considers the products to have similar economic characteristics, and they have therefore been aggregated into a single operating segment.

33. Subsequent events

The Directors are not aware of any material events that have occurred between the date of the statement of financial position and the date of its issue that may require adjustment of, or disclosure in, the financial statements.

APPENDICES

(All amounts are expressed in thousands of Ghana Cedi unless otherwise stated)

FIVE YEAR FINANCIAL SUMMARY

Year end	2025	2024	2023	2022	2021
Profit/(Loss) after tax	68,333	49,455	24,012	(41,596)	(13,430)
Earnings per share	0.588	0.426	0.207	(0.358)	(0.116)
Total number of issued shares	116,207	116,207	116,207	116,207	116,207
Dividend per share	0.11	0.08	0.05	-	-
Total assets	662,803	590,728	590,250	584,060	571,562
Shareholders' funds	331,768	272,735	229,091	205,079	246,675
Permanent staff	330	292	291	355	355
Stock price range (per share)					
High (GH¢)	8.00	3.70	3.25	4.00	5.14
Low (GH¢)	3.63	3.25	2.50	3.00	1.08

Distribution of Gross Sales	2025	2024	Change	% Change
Revenue (Gross)	1,152,152	799,009	353,143	44
Revenue (Excluding Rebates)	1,000,667	683,822	316,845	46
Cost of sales	636,169	435,537	200,632	46
Distribution costs	172,223	120,681	51,542	43
Administrative expenses	102,995	51,002	51,993	102
Impairment of financial assets	543	3,252	(2,709)	(83)
Finance costs	5,238	12,661	(7,423)	(59)
Tax	(35,928)	(23,466)	(12,462)	53
Year end				
Transfer to equity	68,333	49,455	18,878	38
Other Income	7,384	4,290	3,094	72
Finance Income	13,378	7,942	5,436	68
Operational Results				
Revenue	1,000,667	683,822	316,845	46
Cost of sales	(636,169)	(435,537)	(200,632)	46
Distribution costs	(172,223)	(120,681)	(51,542)	43
Administrative expenses	(102,995)	(51,002)	(51,993)	102
Impairment of financial assets	(543)	(3,252)	2,709	(83)
Finance costs	(5,238)	(12,661)	7,423	(59)
Finance Income	13,378	7,942	5,436	68
Other income	7,384	4,290	3,094	72
Profit before Income Tax	104,261	72,921	31,340	43
Income tax expense	(35,928)	(23,466)	(12,462)	53
Profit for the year	68,333	49,455	18,878	38

SHAREHOLDING DISTRIBUTION REPORT

As at 31 December 2025

The following are the twenty largest shareholders as of 31 December 2025. All shareholders have equal voting rights.

No.	Name of Shareholder	Number of shares	Percentage
1.	Fan Milk International A/S	72,178,636	62.11
2.	Std Noms/TR ACC/BNYM Re Krohne Fund, LP	6,730,997	5.79
3.	Std Noms/Trust/ACCT/BNYM Re Gothic Corp Mutima Capital	2,506,431	2.16
4.	SCGN/RBC Investor Services Re Coeli Sicav I -	2,089,300	1.80
5.	Social Security and National Insurance Trust	1,853,124	1.59
6.	SCGN/EPACK Investment Fund Limited Transaction E I F L	1,254,684	1.08
7.	SCGN/SSBT For Al Mehwar Com. Inv. LLC AEJM	1,065,000	0.92
8.	Std Noms/BNYM/Gothic HSP Corporation	953,068	0.82
9.	Std/Noms/BNYM Gothic JBD LLC	920,536	0.79
10.	SCGN/Enterprise Life Ass. Co Policy Holders	866,352	0.75
11.	Std/Noms/BNYM/Gothic ERP LLC	613,965	0.53
12.	SCGN/Databank Balanced Fund Limited	613,624	0.53
13.	SCGN/SSB and Trust as Cust for Russell Trust	606,100	0.52
14.	Stahl Christoph-Michael Robert C S	330,954	0.28
15.	HFCN/EDC Ghana Balanced Fund Limited	330,006	0.28
16.	Asare James Kwadwo	300,000	0.26
17.	ZBGC/CEDAR Provident Fund ICAM	299,930	0.26
18.	Std/Noms/BNYM/GHI Holdings Mauritius	295,900	0.25
19.	Ofori Daniel	288,165	0.25
20.	CM Fund Limited	211,087	0.18
		-----	-----
		94,307,859	81.15
Others		21,899,429	18.85
		-----	-----
		116,207,288	100.00
		=====	=====

Category of holdings	Number of shareholders	Holding	Percentage holding
1 – 1000	3,279	967,255	0.83
1001 – 5000	1,036	2,314,289	1.99
5001 – 10000	274	1,733,090	1.49
10001 +	720	111,192,654	95.69
TOTAL	5,309	116,207,288	100.00