



# FAN MILK LIMITED

## Un-Audited Financial Statements for the three months ended March 31, 2018

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED MARCH 31, 2018

	2018 GH¢'000	2017 GH¢'000
<b>Revenue</b>	<b>115,927</b>	<b>120,534</b>
Cost of Sales	(61,055)	(60,513)
<b>Gross Profit</b>	<b>54,872</b>	<b>60,021</b>
Distribution Costs	(28,360)	(26,824)
Administrative Expenses	(6,356)	(5,570)
Depreciation & Amortisation	(6,033)	(4,341)
Other Income	411	579
<b>Operating Profit</b>	<b>14,534</b>	<b>23,865</b>
Finance Income	166	655
Finance Cost	(261)	(343)
<b>Net Profit before tax</b>	<b>14,439</b>	<b>24,177</b>
Taxation	(3,607)	(6,039)
<b>Net Profit after tax</b>	<b>10,832</b>	<b>18,138</b>
Other Comprehensive Income	0	0
<b>Total Comprehensive Income</b>	<b>10,832</b>	<b>18,138</b>
Number of Shares outstanding	116,207,288	116,207,288
<b>Earnings per Share</b>	<b>0.09</b>	<b>0.16</b>

### STATEMENT OF FINANCIAL POSITION AT MARCH 31, 2018

	2018 GH¢'000	2017 GH¢'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	185,483	160,700
<b>185,483</b>	<b>160,700</b>	
<b>Current Assets</b>		
Inventories	70,038	54,911
Trade and Other Receivables	11,307	8,978
Tax	1,837	0
Bank and Cash Balances	24,668	40,916
<b>107,850</b>	<b>104,805</b>	
<b>TOTAL ASSETS</b>	<b>293,334</b>	<b>265,505</b>

### COMMENTS TO THE FINANCIAL STATEMENTS:

Fan Milk Limited posted the first quarter 2018 results with a 3.8% decrease in Revenue, compared to the same period in 2017. Cost of sales increased marginally as compared to same period last year, which in turn resulted in a Gross Profit of GHS 54.87 million, a 8.6% decrease compared to the same period last year. Operating Profit decreased by 39.1% due to high operation and distribution costs, administration expenses and depreciation. Net Profit before Tax also decreased by 40.3% compared to the same period last year.

### STATEMENT OF CHANGES IN EQUITY

	2018 GH¢'000	2017 GH¢'000
<b>EQUITY</b>		
Stated capital	10,000	10,000
Retained earnings	222,508	182,517
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>232,508</b>	<b>192,517</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred Tax	10,245	7,648
<b>10,245</b>	<b>7,648</b>	
<b>Current liabilities</b>		
Trade and Other Payables	47,479	59,099
Tax	0	3,020
Dividends	3,101	3,222
<b>50,580</b>	<b>65,340</b>	
<b>TOTAL LIABILITIES</b>	<b>60,826</b>	<b>72,988</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>293,334</b>	<b>265,505</b>

### STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED MARCH 31, 2018

	2018 GH¢'000	2017 GH¢'000
<b>Cash Flows from Operating Activities</b>		
Cash generated from Operations	15,476	27,369
Interest Paid	(261)	(343)
Interest Received	166	655
Tax Paid	(3,611)	(3,634)
<b>Net Cash Generated from Operating Activities</b>	<b>11,769</b>	<b>24,047</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(8,330)	(9,361)
Proceeds from sale of Property, Plant and Equipment	533	0
<b>Net Cash used in Investing Activities</b>	<b>(7,797)</b>	<b>(9,361)</b>
<b>Cash Flows from Financing Activities</b>		
Dividends Paid	(3)	(32)
<b>Net Cash used in Financing Activities</b>	<b>(3)</b>	<b>(32)</b>
Increase in Cash and Cash Equivalents	3,970	14,654
Cash and Cash Equivalents at January 1	20,699	26,262
<b>Cash and Cash Equivalents at March 31</b>	<b>24,668</b>	<b>40,916</b>

### NOTES TO THE FINANCIAL STATEMENT FOR THE THREE MONTHS ENDED MARCH 31, 2018

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

3. Administrative expenses include:

	2018 GH¢'000	2017 GH¢'000
Directors Remuneration	629	499
Auditors Remuneration	62	80
4. Other Income		
Profit on Sale of Fixed Assets	182	0
Sale of Scraps	77	44
Rent Income	189	197

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

Dr. Charles Mensa  
Board Chairman

Stephane Couste  
Managing Director