



# FAN MILK LIMITED

## UN-AUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

### STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

	2018 GH¢'000	2017 GH¢'000
<b>Revenue</b>	<b>311,229</b>	<b>334,326</b>
Cost of Sales	(175,665)	(176,254)
<b>Gross Profit</b>	<b>135,564</b>	<b>158,073</b>
Sales and Distribution Costs	(81,414)	(78,444)
Administrative Expenses	(19,201)	(18,582)
Depreciation & Amortisation	(20,394)	(15,359)
Other Income	14,341	2,537
<b>Operating Profit</b>	<b>28,895</b>	<b>48,224</b>
Finance Income	917	1,519
Finance Cost	(823)	(1,175)
<b>Net Profit before tax</b>	<b>28,989</b>	<b>48,568</b>
Taxation	(7,627)	(13,573)
<b>Net Profit after tax</b>	<b>21,362</b>	<b>34,995</b>
Other Comprehensive Income	-	-
<b>Total Comprehensive Income</b>	<b>21,362</b>	<b>34,995</b>
Number of Shares outstanding	116,207,288	116,207,288
Earnings per Share	0.18	0.30

### STATEMENT OF FINANCIAL POSITION AT SEPTEMBER 30, 2018

ASSETS		
<b>Non-current assets</b>		
Property, Plant and Equipment	199,762	171,380
	<b>199,762</b>	<b>171,380</b>
<b>Current Assets</b>		
Inventories	59,836	63,432
Tax	5,333	-
Trade and Other Receivables	15,093	9,252
Bank and Cash Balances	31,437	24,822
	<b>111,699</b>	<b>97,506</b>
<b>TOTAL ASSETS</b>	<b>311,461</b>	<b>268,886</b>

### COMMENTS TO THE FINANCIAL STATEMENTS:

Fan Milk posted the third quarter 2018 results with a 6.9% decrease in Revenue, compared to the same period in 2017. Cost of sales decreased marginally as compared to same period last year, which in turn resulted in a Gross Profit of GHS 135.6 million, a 14.2% decrease compared to the same period last year. Operating Profit decreased by 40.1% 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>Stated capital</b>	<b>10,000</b>	<b>10,000</b>
Retained earnings - January 1	211,676	164,379
Total comprehensive income	21,362	34,995
Dividend for previous year	-	-
<b>Retained earnings - September 30</b>	<b>233,038</b>	<b>199,374</b>
<b>Total equity</b>	<b>243,038</b>	<b>209,374</b>

### STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018

	2018 GH¢'000	2017 GH¢'000
<b>Cash Flows from Operating Activities</b>		
Cash generated from Operations	46,110	41,556
Interest Paid	(823)	(1,175)
Interest Received	917	1,519
Tax Paid	(12,079)	(13,354)
<b>Net Cash Generated from Operating Activities</b>	<b>34,125</b>	<b>28,546</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(37,242)	(30,975)
Proceeds from sale of Property, Plant and Equipment	13,889	1,128
<b>Net Cash used in Investing Activities</b>	<b>(23,353)</b>	<b>(29,847)</b>
<b>Cash Flows from Financing Activities</b>		
Dividends Paid	(34)	(139)
<b>Net Cash used in Financing Activities</b>	<b>(34)</b>	<b>(139)</b>
(Decrease) in Cash and Cash Equivalents	10,738	(1,440)
Cash and Cash Equivalents at January 1	20,699	26,262
<b>Cash and Cash Equivalents at September 30</b>	<b>31,437</b>	<b>24,822</b>

### NOTES TO THE FINANCIAL STATEMENT FOR THE NINE MONTHS ENDED SEPTEMBER 30, 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 statement have been prepared in accordance with International Financial Reporting Standards (IFRS).

3. Administrative expenses include:

	2018 GH¢'000	2017 GH¢'000
Directors Remuneration	2,312	2,373
Auditors Remuneration	164	183
Donations	-	-
4. Other Income		
Profit on Sale of Fixed Assets	13,266	923
Sale of Scraps & Sundry Income	229	174
Rent Income	846	136
Bad debt recovered	-	74
Exchange gain	-	1,229

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