

# FAN MILK PLC

## Un-Audited Financial Statements for the nine months ended September 30, 2022



### Statement of Comprehensive Income for the nine months ended September 30, 2022

	2022 GH¢'000	2021 GH¢'000
<b>Revenue</b>	<b>382,181</b>	<b>342,331</b>
Cost of Sales	(279,204)	(233,277)
<b>Gross Profit</b>	<b>102,977</b>	<b>109,055</b>
Sales and Distribution Costs	(67,968)	(65,723)
Administrative Expenses	(24,519)	(35,868)
Depreciation & Amortisation	(23,712)	(23,948)
Other Income	2,769	2,864
<b>Operating Profit/(loss)</b>	<b>(10,454)</b>	<b>(13,620)</b>
Finance Income	8,296	1,740
Finance Cost	(14,664)	(1,714)
<b>Net Profit/(loss) before tax</b>	<b>(16,822)</b>	<b>(13,594)</b>
Taxation	-	-
<b>Net Profit/(loss) after tax</b>	<b>(16,822)</b>	<b>(13,594)</b>
Other Comprehensive Income	-	-
<b>Total Comprehensive Income</b>	<b>(16,822)</b>	<b>(13,594)</b>
Number of Shares outstanding	116,207,288	116,207,288
<b>Earnings per Share</b>	<b>(0.14)</b>	<b>(0.12)</b>

### Statement of Financial Position as at September 30, 2022

	2022 GH¢'000	2021 GH¢'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	187,388	193,335
<b>187,388</b>	<b>193,335</b>	
<b>Current Assets</b>		
Inventories	181,071	131,019
Tax	20,779	9,014
Trade and Other Receivables	185,052	94,292
Bank and Cash Balances	22,395	32,978
<b>409,296</b>	<b>267,303</b>	
<b>TOTAL ASSETS</b>	<b>596,684</b>	<b>460,638</b>

### COMMENTS TO THE FINANCIAL STATEMENTS:

Fan Milk PLC registered a positive growth in revenue by 12% over prior year. This is in line with the growth rates achieved in quarter one and two of the year. The strategy of profitably growing the outdoor business and at same time accelerating the indoor business is still on course. However, the growth in costs far outstrips that of revenue. Gross profit margin dropped from almost 32% last year to 27% this year. This is as a result of high inflation recorded over the months hitting 37.2% as at end of September. In addition the results include a significant net exchange loss of GHS 19m due to the steep depreciation of the local currency against the USD and the EURO. These macro economics factors severely affected FML to record a negative profit of GHS 16.8m as at end of nine months September 2022.

	2022 GH¢'000	2021 GH¢'000
<b>EQUITY</b>		
Stated capital	10,000	10,000
Retained earnings	219,853	219,853
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>229,853</b>	<b>229,853</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Deferred Tax	1,906	1,906
<b>1,906</b>	<b>1,906</b>	
<b>Current liabilities</b>		
Loan Facility	70,000	70,000
Trade and Other Payables	291,926	291,926
Tax	-	-
Dividends	3,000	3,000
<b>364,926</b>	<b>364,926</b>	
<b>TOTAL LIABILITIES</b>	<b>366,832</b>	<b>366,832</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>596,684</b>	<b>596,684</b>

### Statement of Changes in Equity

	2022 GH¢'000	2021 GH¢'000
<b>Stated capital</b>	<b>10,000</b>	<b>10,000</b>
Retained earnings - January 1	236,675	250,104
Total comprehensive income	(16,822)	(13,594)
Dividend for previous year	-	-
<b>Retained earnings - September 30</b>	<b>219,853</b>	<b>236,510</b>
<b>Total equity</b>	<b>229,853</b>	<b>246,510</b>

### Statement of Cash Flows for the nine month ended September 30, 2022

	2022 GH¢'000	2021 GH¢'000
<b>Cash Flows from Operating Activities</b>		
Cash generated from Operations	(44,698)	11,942
Interest Paid	(14,664)	(1,714)
Interest Received	8,296	1,740
Tax Paid	(11,300)	(4,300)
<b>Net Cash Generated from Operating Activities</b>	<b>(62,367)</b>	<b>7,668</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(8,094)	(34,396)
Principal Lease Payment	(3,717)	-
Proceeds from sale of Property, Plant and Equipment	992	5,690
<b>Net Cash used in Investing Activities</b>	<b>(10,819)</b>	<b>(28,706)</b>
<b>Cash Flows from Financing Activities</b>		
Loan Facility	35,000	-
Loan Repayment	(5,000)	-
Dividends Paid	-	(5)
<b>Net Cash used in Financing Activities</b>	<b>30,000</b>	<b>(5)</b>
(Decrease) in Cash and Cash Equivalents	(43,186)	(21,043)
Cash and Cash Equivalents at January 1	65,581	54,021
<b>Cash and Cash Equivalents at September 30</b>	<b>22,395</b>	<b>32,978</b>

### Notes to the Financial Statement for the nine months ended September 30, 2022

#### 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:

	2022 GH¢'000	2021 GH¢'000
Directors Remuneration	353	858
Auditors Remuneration	193	219
4. Other Income		
Profit on Sale of Fixed Assets	826	2,081
Sale of Scraps & Sundry Income	27	97
Rent Income	922	713
Bad Debt Recovered	994	-

**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

Ziobeieton Yeo  
Managing Director