



PRESS RELEASE

PR. No. 033/2018

**FAN MILK LTD (FML) -
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

FML has released its unaudited Financial Statements for the year ended December 31, 2017 as per the attached.

Issued at Accra, this 1st
day of February, 2018.

- E N D -

att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, FML
4. NTHC Registrars, (Registrars for FML shares)
5. Custodians
6. Central Securities Depository
7. Securities and Exchange Commission
8. GSE Council Members
9. GSE Notice Board

For enquiries, contact:

Listing Department, GSE on 0302 669908, 669914, 669935

***JEB**



FAN MILK LIMITED

Un-Audited Financial Statements for the year ended December 31, 2017

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2017

	2017 GH¢'000	2016 GH¢'000	
Revenue	445,963	386,402	EQUITY
Cost of Sales	(226,337)	(183,355)	Stated capital
Gross Profit	219,626	203,047	Retained earnings
Sales and Distribution Costs	(100,207)	(78,891)	TOTAL SHAREHOLDERS' EQUITY
Administrative Expenses	(44,067)	(30,570)	LIABILITIES
Depreciation & Amortisation	(21,087)	(14,062)	Non-current liabilities
Other Income	9,238	2,731	Deferred Tax
Operating Profit	63,503	82,255	
Finance Income	1,726	6,793	Current liabilities
Finance Cost	(1,411)	(1,491)	Trade and Other Payables
Net Profit before tax	63,818	87,557	Tax
Taxation	(16,771)	(21,429)	Dividends
Net Profit after tax	47,047	66,128	
Other Comprehensive Income	0	0	TOTAL LIABILITIES
Total Comprehensive Income	47,047	66,128	TOTAL EQUITY AND LIABILITIES
Number of Shares outstanding	116,207,288	116,207,288	
Earnings per Share	0.40	0.57	

STATEMENT OF FINANCIAL POSITION AT DECEMBER 31, 2017

ASSETS		
Non-current assets		
Property, Plant and Equipment	183,538	155,969
	183,538	155,969
Current Assets		
Inventories	66,351	51,769
Trade and Other Receivables	26,207	11,064
Bank and Cash Balances	20,699	26,262
	113,257	89,095
TOTAL ASSETS	296,795	245,064

STATEMENT OF CHANGES IN EQUITY

Stated capital	10,000	10,000
Retained earnings - January 1	164,379	110,278
Total comprehensive income	47,047	66,128
Dividend for previous year	0	(12,027)
Retained earnings - December 31	211,426	164,379
Total equity	221,426	174,379

COMMENTS TO THE FINANCIAL STATEMENTS:

Revenue for Fan Milk Limited increased by 15.4% compared to the same period last year. The increase was achieved through strong growth in the first half of the year. Cost of sales increased as compared to same period last year by 23.4%, due to inflation and devaluation of the Cedi, resulting in a Gross Profit of GHS 219.6 million, an increase of 8.2%. Operating Profit decreased by 22.8% due to sales and distribution costs linked to the launch of FanMaxx and depreciation which increased by 50%. For the same reasons, Net Profit before Tax also decreased by 27.1% compared to same period last year.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2017

	2017 GH¢'000	2016 GH¢'000
Cash Flows from Operating Activities		
Cash generated from Operations	58,982	62,803
Interest Paid	(1,430)	(1,491)
Interest Received	1,674	6,793
Tax Paid	(16,370)	(20,280)
Net Cash Generated from Operating Activities	42,856	47,825
Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	(49,110)	(108,416)
Proceeds from sale of Property, Plant and Equipment	841	680
Net Cash used in Investing Activities	(48,269)	(107,736)
Cash Flows from Financing Activities		
Dividends Paid	(150)	(11,498)
Net Cash used in Financing Activities	(150)	(11,498)
(Decrease) in Cash and Cash Equivalents	(5,563)	(71,409)
Cash and Cash Equivalents at January 1	26,262	97,671
Cash and Cash Equivalents at December 31	20,699	26,262

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2017

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:	2017 GH¢'000	2016 GH¢'000
Directors Remuneration	2,554	2,075
Auditors Remuneration	237	165
Donations	25	1

4. Other Income	2017 GH¢'000	2016 GH¢'000
Profit on Sale of Fixed Assets	386	311
Sale of Scraps	390	215
Rent Income	428	1,519
Bad debt recovered	79	29
Exchange gain	7,955	657

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