

NEWSPAPER COMMENTARY FOR THE QUARTER ENDED 31ST MARCH 2021



Net sales in the third quarter increased by 24% compared to the same period last year, largely driven by volume growth and positive price/mix.

Cost of Goods Sold increase was slower than sales, as we offset inflation and commodity price increases through increased local sourcing and production. This resulted in Gross Profit growth of 66% above the same quarter last year.

Selling, general and administrative expenses in the third quarter increased by 9% driven by increased spend in promotions such as the 'Yen Nyin Mbom' Retailer Loyalty Program.

The above resulted in the operating profit of 104.8 m GHS for the first nine months of the financial year. Thus, tax in the first half at 32.7m GHS, is more than twice as much as last year. This brings the net profit in the first half to 55.8m GHS.

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 31 MARCH, 2021				UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021				UNAUDITED STATEMENT OF CASH FLOW FOR THE NINE MONTHS ENDED 31 MARCH 2021			
		2021	2020			2021	2020			2021	2020
		GH¢'000	GH¢'000			GH¢'000	GH¢'000			GH¢'000	GH¢'000
Revenue		742,365	605,525	ASSETS				Cash flows from operating activities			
Cost of sales		(500,801)	(448,047)	Non Current Assets				Profit before taxation	88,482	26,864	
Gross profit		241,564	157,478	Property, plant and equipment	494,315	476,247		<i>Adjustment for:</i>			
Selling, general and administrative expenses		(136,702)	(114,109)	Intangible assets	1,116	1,611		- Depreciation and amortisation charges	38,098	47,306	
Operating profit		104,862	43,369	Right of Use Assets	43,034	47,641		- Depreciation Right of Use Assets	8,797	0	
Finance charges		(16,380)	(16,505)		538,465	525,499		- (Profit)/Loss on disposal of property, plant and equipment	4,778	(362)	
Profit before income tax		88,482	26,864	Current Assets				- Unrealised exchange difference	3,232	7,808	
Income tax suffered		(32,679)	(6,264)	Inventories	168,599	117,966		- Impairment Cost	1,866	0	
Profit for the Period		55,803	20,600	Trade and other receivables	58,773	25,237		- Net interest expense	16,380	16,504	
Total comprehensive profit for the period		55,803	20,600	Other Financial assets at amortised cost	368	820			161,633	98,121	
STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2021				Amounts due from related companies	3,848	4,472		Changes in:			
	Share Capital	Retained Earnings	Total	Other assets	2,426	2,413		- Inventories	(50,633)	(22,051)	
	GH¢'000	GH¢'000	GH¢'000	Current tax asset		4,753		- Trade and other receivables	(35,403)	(14,749)	
Balance at 1 July 2020	272,879	31,759	304,638	Cash and bank balances	73,618	39,563		- Trade and other payables	87,094	52,016	
Comprehensive profit for the period		55,803	55,803	Total current assets	307,632	195,224		- Related company balances	19,699	14,518	
Dividends paid		(4,213)	(4,213)	Total assets	846,097	720,723		- Provisions	0	(763)	
Balance at 31 March 2021	272,879	83,349	356,228	EQUITY AND LIABILITIES				- Employee benefits	161	399	
				Stated capital	272,879	272,879		- Other assets	(1,195)	(7,876)	
				Retained Earnings	83,349	31,759		Cash generated from operating activities	181,356	119,615	
				Total equity	356,228	304,638		Interest paid	(17,068)	(16,750)	
				Non-Current Liabilities				Income tax paid	(13,670)	(6,310)	
				Lease liabilities	25,659	29,871		Net cash generated from operating activities	150,618	96,555	
				Borrowings	109,120	109,253		Cash flow from investing activities			
				Employee benefit obligations	3,584	3,423		Additions to property, plant and equipment	(62,934)	(107,174)	
				Deferred tax liabilities	32,457	29,146		Proceeds from sale from property, plant and equipment	2,485	703	
				Total non-current liabilities	170,820	171,693		Interest Received	555	245	
				Current Liabilities				Net cash used in investing activities	(59,894)	(106,226)	
				Bank overdraft	2,558	47,772		Cash flows from financing activities			
				Trade and other payables	256,776	171,451		Movement in borrowings	0	275	
				Lease liabilities	11,244	6,138		Movement in finance Lease	(3,296)	197	
				Amounts due to related companies	37,526	19,031		Dividends paid	(4,213)	(9,013)	
				Current tax liability	10,945			Net cash used in/(generated from) financing activities	(7,509)	(8,541)	
				Provisions				Net Increase/ (decrease) in cash and cash equivalents	83,215	(18,212)	
				Total current liabilities	319,049	244,392		Analysis of changes in cash & cash equivalents end of period			
				Total liabilities	489,869	416,085		Cash and cash equivalents at 1 July	(8,209)	24,518	
				Total equity and liabilities	846,097	720,723		Increase/(Decrease) in cash and cash equivalents	83,215	(18,212)	
								Effect of movements in exchange rates on cash held	(3,946)	(2,199)	
								Cash and cash equivalents at 31 March	71,060	4,107	

