

FAN MILK PLC

**ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Freda Yahan Duplan (Chairperson)
 Charles Mensa (Resigned on 19/6/2024)
 Lionel Parent (Appointed 19/6/2024)
 George H. Okai Thompson (Resigned 1/09/2024)
 Nii Amanor Dodoo (Appointed 1/09/2024)
 Herve Orama Barrere (Resigned 31/12/2024)
 Jakub Kalinowski
 Hendrik Born (Appointed 1/1/2025)

SECRETARY

Sandra Adu-Gyamfi
 Fan Milk Plc
 P.O. Box 6460
 Accra

REGISTERED OFFICE

Fan Milk Plc
 No. 1 Dadeban Road
 North Industrial Area, Accra
 P. O. Box 6460, Accra

INDEPENDENT AUDITORS

Forvis Mazars Ghana
 Chartered Accountants and Business Advisors
 3rd Floor, One Airport Square, Accra
 GL-126-6674
 Nos. 7 & 9 Nyame Adom Courts
 Adonai Lane, Ajiringanor, East Legon, Accra
 GD-165-5957
 PMB LG DTD 20014, Accra
 P. O. Box GP 2957, Accra

REGISTRAR

NTHC Limited
 Martco House
 P O Box 9563
 Airport, Accra

SOLICITOR

Danso Abiam & Co
 Suite B8, 5th Floor
 TDC Towers, Community 2, Tema

BANKERS

Ecobank Ghana Limited
 Societe Generale Ghana
 Stanbic Bank Ghana Limited

DIRECTORS' REPORT

The directors, in submitting to the shareholders their report and financial statements of the Company for the year ended 31 December 2024, report as follows:

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for the preparation and fair presentation of the financial statements, and other explanatory notes in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants Ghana (ICAG) mandated by the ICAG Act, 2020 (Act 1058), and in a manner required by the Companies Act, 2019 (Act 992), and other national regulations, where appropriate.

In preparing these financial statements, the Directors confirm that suitable accounting policies have been used and consistently applied; and that judgements and estimates made, are reasonable and prudent and comply with International Financial Reporting Standards and the requirements of the Companies Act, 2019 (Act 992).

The Directors are responsible for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The Directors are responsible for ensuring that the company complies with the laws and regulations applicable to its activities and for establishing arrangements designed to prevent any non-compliance with laws and regulations and to detect any that may occur.

The above statements which should be read in conjunction with the auditor's report set out on pages 10 to 16 are made with a view to distinguishing the respective responsibilities of the Directors and the Auditor in relation to these financial statements to the shareholders.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern.

GOING CONCERN

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue to operate into the foreseeable future. This means in particular that the statement of profit or loss and other comprehensive income and the statement of financial position assume no intention or the necessity to either liquidate the Company or curtail significantly the scale of its operations. It further presumes that funds will be available to finance activities of the Company and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

FINANCIAL RESULTS

The results for the year are as set out in the statement of comprehensive income on page 17 to 20 of the financial statements.

ORDINARY DIVIDEND

The directors recommend payment of a dividend of GH¢9.3m (GH¢0.08 per share) for the year ended 31 December 2024 (2023: GH¢5.8m (GH¢0.05 per share)).

NATURE OF BUSINESS

The company is authorised to carry on the business of manufacturing and production of recombined milk and other dairy products and manufacturing of soft drinks and other preserved provisions of all kinds both wholesale and retail.

HOLDING COMPANY

Fan Milk International A/S, incorporated in Denmark is the majority shareholder of Fan Milk Plc with 62.11% shareholding. The ultimate parent company of Fan Milk International A/S is Danone S.A, a company incorporated in Paris, France.

CHANGES IN DIRECTORSHIP

The Board announces the following changes in directorship since our last Annual General Meeting:

1. Mr. George H.O. Thompson, Independent Non-Executive Director, resigned effective 1 September 2024. Nii Amanor Dodoo has been appointed to replace him, with additional responsibilities for representing minority shareholders' interests.
2. Additionally, Mr. Hervé Barrère, Non-Executive Director, resigned effective 31 December 2024. Mr. Hendrik Born was appointed as his replacement on 1 January 2025.

DIRECTORS RETIRING AND SEEKING RE-ELECTION

In accordance with the Company's Constitution and the Board Charter, Nii Amanor Dodoo (appointed 1 September 2024) and Mr. Hendrik Born (appointed 1 January 2025) will retire and seek re-election at the upcoming Annual General Meeting. They were appointed to fill vacancies left by Mr. George Thompson and Mr. Hervé Barrère respectively. The Board recommends that shareholders support their re-election.

BOARD CHARTER & CAPACITY BUILDING

At the last Annual General Meeting, shareholders were informed of the Board's ongoing enhancement of its governance framework. This process culminated in the adoption of a Board Charter in August 2024, which documents the framework for strategic decision-making, compliance with legal and ethical standards, and promotion of Fan Milk Plc's mission and long-term goals.

The Charter provides guidance and clarity for directors and management regarding:

- Roles and responsibilities of the Board and its committees
- Requirements for directors in carrying out their stewardship role
- Discharge of duties toward the Company in accordance with the Companies Act, Constitution, SEC Corporate Governance Code, and other relevant laws

Appendix 11 of the Board Charter outlines the Board Training Policy, developed to enhance governance capabilities, ensure regulatory compliance, and align with Fan Milk Plc's strategic objectives. During the year under review, the Board completed Sessions 1-4 of the training modules, covering:

- Company Overview
- Governance
- Board Structure and Legal Responsibilities
- Risk Management and Internal Controls

CORPORATE GOVERNANCE STATEMENT

The Board of Fan Milk Plc comprises five members: an Independent Non-Executive Chairperson, one other Independent Non-Executive Director, two Non-Executive Directors, and one Executive Director.

Recognizing the importance of aligning with the Securities and Exchange Commission's (SEC) requirements on board composition for listed companies, the Board is taking proactive steps to enhance its governance structure. As part of this commitment, the Board will propose the election of an additional Executive Director and an Independent Non-Executive Director at the upcoming Annual General Meeting. These appointments will ensure full alignment with SEC requirements and further strengthen the Board's oversight and strategic leadership.

PROFILE OF DIRECTORS

FREDA YAHAN DUPLAN (CHAIRPERSON)

Freda Duplan is an accomplished business leader with over 40 years of experience transforming organizations and developing talent. As the first African woman appointed CEO in Nestlé's Zone Asia, Africa and Oceania, she broke barriers and set new standards for leadership excellence. Her career is defined by a commitment to inspiring young talent, supporting women in business, and driving organizational transformation.

Currently, Freda serves as Board Chairperson of Zenith Bank Ghana, Independent Board Member of ZEN Petroleum, and Board Chairperson of DTRT Apparel (Mauritius) Ltd. She is also a Co-founder of the Executive Women Network (EWN), reflecting her passion for advancing women in leadership roles.

Throughout her distinguished career at Nestlé, Freda achieved numerous milestones, including becoming the first female Market Head in the Nestlé group as CEO/MD of Nestlé Pakistan (2018) and the first female and Ghanaian Managing Director of Nestlé Ghana Limited (2015). Her expertise spans executive coaching, change management, diversity and inclusion, strategic planning, and high-level negotiation.

Freda successfully established the Finance & HR Shared Services Center for Nestlé countries in Africa (2010) and led Nestlé Ghana to become the first in Central & West Africa Region to implement SAP (2008). Earlier in her career, she became Nestlé Ghana's first female National Sales Manager (1998) at which time she designed and implemented the company's distribution model.

Her educational background includes studies at the Oxford School of Computer Technology and Slough College of Higher Education in the UK, complemented by leadership training at the London Business School. Freda's contributions have been recognized with numerous awards, including the Outstanding Corporate Personality of the Decade (2021) and Ghana Women of Excellence (2020).

With expertise across FMCG, banking, and IT sectors, Freda continues to influence business leadership through her board positions and commitment to developing the next generation of leaders.

Committee membership: Remuneration and Nominating Committee

Other Directorships: Zenith Bank Ghana, ZEN Petroleum and DTRT Apparel (Mauritius) Ltd

LIONEL PARENT (MANAGING DIRECTOR)

Lionel Parent is a dynamic international business leader with over 15 years of experience in sales and general management across the FMCG and alcohol industries. Effective 19 June 2024, Lionel was appointed as Managing Director and Executive Director, following his successful tenure as Country Manager of Fan Milk since 1 March 2024.

Prior to leading Fan Milk, Lionel served as Commercial & Digital Transformation leader at Délice Danone Distribution JV in Tunisia. During this period, he revitalized the business through strategic initiatives that substantially improved profit margins while driving sales growth. His leadership in the Tunis Metropolitan area transformed declining volumes into positive growth, while his cost-saving measures and process optimizations strengthened the company's financial position and market standing.

Before his role at Délice Danone, Lionel led Global route-to-market strategies at Danone's headquarters in Paris, where he successfully implemented digital solutions that enhanced sales performance across markets. As Customer Group Director for Danone France, he achieved a remarkable turnaround in the Out of Home channel, transforming years of decline into positive growth within just twelve months.

Lionel's expertise in African markets has been particularly transformative. During his earlier time with Danone Africa, he worked with Fan Milk and successfully expanded the company's baby food business into new territories. His experience with premium spirits brands, including Glenfiddich and Absolut Vodka, saw him dramatically increase market presence across Sub-Saharan Africa, implementing innovative distribution strategies that multiplied sales in challenging markets like Nigeria.

A graduate of Skema Business School with a master's in management, Lionel is bilingual in French and English and skilled in various digital analytics tools. Beyond his professional responsibilities, he remains committed to developing talent, actively mentoring food industry entrepreneurs and coaching high-potential African business leaders.

With his expertise in business strategy, digital transformation, and change management, Lionel has proven himself to be an exceptional leader capable of driving growth and profitability in diverse and challenging markets across Africa and Europe.

Committee membership: Remuneration and Nominating Committee

Other Directorships: N/A

NII AMANOR DODOO (INDEPENDENT NON-EXECUTIVE DIRECTOR)

Nii Amanor Dodoo currently serves as the Chief Executive Officer of PMO Ghana Limited, a professional services company established in 2019. In this capacity, he manages the receivership of five banks whose licenses were revoked by Ghana's Central Bank in August 2018, when he was appointed as the Receiver.

A distinguished accountant with over 40 years of experience, Amanor led KPMG Ghana as Senior Partner from January 2013 until his retirement in September 2019. During his tenure, he provided strategic direction for the firm. His leadership extended to serving on KPMG's West Africa Board, influencing the firm's regional strategy and operations.

Amanor's career at KPMG includes several key leadership positions. He headed the Audit unit in Ghana from 2010 to 2012 and worked on secondment with KPMG Nigeria from 2006 to 2010, where he led both the Energy audit unit and the Consumer and Industrial Markets audit units at different periods. He became a partner at KPMG Ghana in 1992, working as an assurance engagement partner for major multinational clients including Guinness, Nestle, Scancom, Barclays, Ecobank, and GCB Bank in Ghana, as well as several prominent companies in Nigeria.

Beyond assurance services, Amanor has extensive experience in special investigations, receiverships, liquidations and operational reviews across various companies. His expertise spans multiple sectors, including financial services, telecommunications, consumer markets, infrastructure, government, healthcare, energy, and natural resources. From 2002 to 2006, he was responsible for Risk Management, Training, Ethics, and Independence at KPMG Ghana.

A member of the Institutes of Chartered Accountants in both Ghana and Nigeria, Amanor's professional experience extends across Ghana, Nigeria, and the United Kingdom. His retirement from KPMG in 2019 marked the conclusion of four decades of distinguished service to KPMG.

Committee membership: Audit and Risk Committee, Remuneration and Nominating Committee

Other Directorships: PMO Ghana limited, SOS Hermann Gmeiner International College

JAKUB KALINOWSKI (NON-EXECUTIVE DIRECTOR)

Jakub Kalinowski is a seasoned finance executive currently serving as Vice President Finance for Danone's Africa, Middle East, and Asia regions (AMEA). With over 20 years of experience in the FMCG sector, he has built a distinguished career marked by strategic leadership and operational excellence. Throughout his tenure at Danone, which began in 2002, Jakub has consistently demonstrated exceptional financial acumen and leadership capabilities. As Finance Director for the DACH region (Germany, Austria, Switzerland), he successfully managed a €1.2B business unit, integrating multiple finance organizations while protecting profitability during periods of market volatility.

His expertise extends to manufacturing optimization, having overseen plant closures and strategic investments across multiple European locations.

Jakub's career progression reflects his ability to drive results in challenging environments. He transformed declining revenue trends into double-digit growth while maintaining healthy profit margins and played a key role in several successful M&A projects & post-merger integrations.

A multilingual professional fluent in English, German, and Polish, Jakub holds a master's degree in international relations, Finance and Banking from the Warsaw School of Economics, and is an alumnus of the Chartered Institute of Management Accountants. His approach combines analytical thinking with strong interpersonal skills, making him particularly effective in multicultural business environments.

Before joining Danone, Jakub managed projects at an internet startup, where he developed his project management expertise working with multinational clients across various sectors.

Committee Membership: Audit and Risk Committee

Other Directorships: Chairman, Nutricia MMP (Iran) and Board member in other Danone entities.

HERVE BARRERE (RESIGNED 31/12/2024)

Mr. Barrere brought a wealth of operational and leadership expertise to Fan Milk PLC. His extensive experience and regional insights position him to drive growth and brand-building across Africa. Mr. Barrere commenced his career in the banking sector, accumulating valuable experience over 8 years. During his 12-year tenure at Nestlé, he held various pivotal positions. Notably, he served as Managing Director in the Congo and Central Africa regions.

In 2017, Mr. Barrere joined Danone to lead the Fan Milk Danone business in Nigeria as Managing Director. Subsequently, he assumed the role of Managing Director for the Danone Algeria business unit in 2019.

Since the beginning of 2023, he has been the Managing Director of Danone South Africa. He has post-graduate certifications from Paris XII University and French Polynesia University.

Committee Membership: Audit and Risk Committee, Remuneration and Nominating Committee

Other Directorships: Chairman, Fan Milk International A/S.

AUDITOR'S REMUNERATION

The Auditors, Forvis Mazars, have indicated their willingness to continue in office as auditors of the company in accordance with Section 139 of the Companies Act, 2019 (Act 992). The Audit fee for the year ended 31 December 2024 was GH¢400,000 (2023: GH¢344,400).

SUSTAINABILITY PROJECTS (DANONE IMPACT JOURNEY)

During the financial year ended 31 December 2024, GH¢3,848,076.33 was invested into our Danone Impact Journey which covers the areas of People & communities, Nature and Health through Food.

DIRECTORS' INTEREST REGISTER

There were no new declarations of interest made in the directors' interests register during the financial year. For the relevant period ended 31 December 2024, no director of the Company held shares in the business.

APPROVAL OF THE REPORT OF DIRECTORS

The report of the directors was approved by the board of directors on 7 April 2025 and signed on their behalf as follows:



Freda Duplan
Chairperson



LEAN MILK PLC
Lionel Parent
Managing Director

Lionel Parent
Managing Director

Date: 7 April 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAN MILK PLC

Opinion

We have audited the financial statements of Fan Milk Plc, which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes as set out on pages 21 to 52.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Fan Milk Plc as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards with IAS 29 directive issued by the institute of Chartered Accountants Ghana (ICAG) and in the manner required by the Ghana Companies Act, 2019 (Act 992).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), the independent requirements of section 143 of the Companies Act, 2019 (Act 992) and Mazars Code of Conduct for Objectivity and Independence (CCOI). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the CCOI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be a key audit matter to be communicated in our report.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FAN MILK PLC**

11.

Key Audit matters	How these matters were addressed in the audit
<p>Trade Terms and Rebates (Ghs115.186m)</p> <p>Sales rebates, advertising and promotion costs represent significant items and are areas of significant management judgement.</p> <p>Additionally, as a result of competition and pressure from distributors, these costs may grow faster. Because of their increasing significance, proper controls over these costs are essential.</p> <p>Such controls require that a detailed budget process, specific control and accounting procedures for commitments, structured and reliable authorization and follow-up procedures are established.</p> <p>These procedures are generally complex, in particular due to the number of persons involved with the transactions, both externally (structure of the distribution) as well as internally (Sales, marketing and finance departments) and their confidentiality.</p>	<p>We performed control testing of the internal control over sales deductions including the controls on conditional rebates and trade support (off – invoice) that these are planned, and agreed as per specific cluster contract policy and updated in system accordingly;</p> <p>We checked that customers payments/deductions are allocated promptly to the correct invoices (and payable/credit notes where applicable);</p> <p>We performed tests related to sales cut-off at year end;</p> <p>We performed substantive testing on the accuracy and appropriateness of customer's deductions recorded over the period and rebate provision calculation at year end. We ensured the conditions to recognize rebates are met by obtaining and reviewing supporting documentation;</p> <p>We ensured that booking and the presentation of customers' deduction and provision over the period are accurate;</p> <p>We performed separate substantive testing procedures over each type of Rebates settlement (i.e deductions, cash disbursements and other settlements);</p> <p>We performed a year-end review of customers' rebate provisions and rebate costs in the year by comparison with prior year and obtaining explanation for significant variance and obtained supporting documentation on a representative sample.</p>

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FAN MILK PLC**

12.

Key Audit Matters (continued)

Key Audit matters	How these matters were addressed in the audit
<p>Impairment of Trade Receivables Ghs5.594m</p> <p>Gross trade receivable as at the end of December 31st, 2024 was Ghs24.457m out of which an impairment loss allowance of Ghs5.594m was recognized.</p> <p>Management applied a simplified approach (Provision matrix) to determine the impairment loss allowance which is based on expected credit loss (ECL).</p> <p>In applying the provision matrix, management estimates the ultimate write offs for a defined population of trade receivables. Collection of these receivables are then analysed by time buckets. A loss ratio is calculated by dividing the ultimate write off by the amounts outstanding in each time bucket. The ratio is adjusted with forward looking information such as inflation.</p> <p>Management exercises significant judgements in the determination of default, period selected in assessing historical loss rates and the selection of forward looking information.</p> <p>The determination of the expected credit loss (ECL) is therefore considered as a key audit matter for the company based on the level of complexity and significant management judgement involved.</p> <p>The basis of the provision and critical judgements relating to the calculation of the impairment provision are summarized in notes 3.3, 3.6, 3.7 and 4.3 to the financial statements.</p> <p>The gross trade receivables and related impairment provisions are disclosed in note 15 to the financial statements.</p>	<p>We evaluated the design and tested the operating effectiveness of management's controls over trade receivables process including recording of credit sales, approval of credit limits and dunning.</p> <p>We circularized selected trade receivables amounts for direct confirmation of the existence and amount stated as trade receivable balances.</p> <p>We agreed the historical write-offs and the trade receivable time buckets used in the ECL calculation to historical data. The forward looking information used in the ECL calculation was also agreed to observable macroeconomic data.</p> <p>We assessed the appropriateness of assumptions and judgements made by management around the definition of default to the nature of forward looking information, the weights assumed in adjusting loss ratio with forward looking information and the period used in assessing the historical loss rates.</p> <p>We recomputed the impairment loss allowance based on the verified inputs and assumptions used by management.</p> <p>We performed post balance sheet review on selected debtors to assess payments after the balance sheet date and to test recoverability of trade debtors stated at the year end.</p> <p>We checked the adequacy of disclosures made in the financial statements for impairments loss allowances.</p>

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FAN MILK PLC**

Key Audit Matters (continued)

Key Audit matters	How these matters were addressed in the audit
<p>Assessment of Fraud</p> <p>A stock discrepancy between the physical stock and the balance sheet was discovered by management on the 17th July 2024 at the value of GHS 1.8 million.</p> <p>Investigation carried out revealed that the difference was linked to transactions carried out by an employee in the supply chain department.</p> <p>The transaction involved moving stock to a virtual location for the Tamale Regional Distribution Centre, a region where the client does not operate currently.</p>	<p>During our audit, we engaged management on various issues, including assessment of fraud (perceived or real). The incidence of fraud that occurred during the period under review was thus brought to our attention by management.</p> <p>The matter was reported to the CID and the employee in question was arrested and interrogated by the police where he admitted committing the offence. The employee has been subsequently dismissed by the company. Currently, the case is pending trial at the Circuit Court 11.</p> <p>We performed a review of controls in place over customers' supply chain (order to delivery). Even though the controls in place remain robust, we made recommendations to management that could enhance early detection and or prevention of future occurrence of such incidence.</p>

Other Information

The directors are responsible for the other information. The other information comprises the Corporate's information, Report of the Directors, Corporate Governance, Financial highlights, Board of Directors, Shareholding structure, Macro-economic environment and Corporate Social Responsibility but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAN MILK PLC

Responsibilities of Management for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with IFRS with the IAS 29 directive issued by the Institute of Chartered Accountants Ghana (ICAG) and in the manner required by the Ghana's Companies Act, 2019 (Act 992), and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FAN MILK PLC**

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the
- financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the company and business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicated with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. From the matters communicated with the directors, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report unless law or regulations precludes public disclosures about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FAN MILK PLC****Report on Other Legal and Regulatory Requirements**

The Companies Act, 2019 (Act 992) requires that in carrying out our audit we consider and report on the following matters. We confirm that:

- i) we have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
- ii) In our opinion, proper books of accounts have been kept by the Company, so far as appears from our examination of those books, and proper returns adequate for the purpose of the audit have been received from branches not visited by us;
- iii) The statement of financial position and the statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.
- iv) In our opinion, to the best of our information and according to the explanations given to us, the accounts give the information required under the Act, in the manner so required and
- v) give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss for the financial year then ended.
- vi) We are independent of the company pursuant to section 143 of the companies Act 2019 (Act 992).

The Engagement Partner on the audit resulting in this independent auditor's report is **Roland Bayo Ajetunmobi (ICAG/P/1580)**

FORVIS MAZARS

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Forvis Mazars Ghana (ICAG/F/2025/079)
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7th April 2025

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are expressed in thousands of Ghana Cedi unless otherwise stated)

	Note	2024	2023
Revenue	5	683,822	549,416
Cost of sales	6	(435,537)	(378,144)
Gross Profit		248,285	171,272
Impairment of financial assets	6	(3,252)	(2,789)
Distribution costs	6	(120,681)	(105,208)
Administrative expenses	6	(51,002)	(37,216)
Other income	7	4,290	4,390
Operating Profit		77,640	30,449
Finance income	8	7,942	33,884
Finance costs	9	(12,661)	(27,278)
Profit before income tax		72,921	37,055
Income tax expense	10	(21,643)	(12,426)
Growth and Sustainability Levy	10	(1,823)	(617)
Profit for the year		49,455	24,012
Other comprehensive income		-	-
Total Comprehensive Income		49,455	24,012
Earnings per share:			
Basic and diluted (GH¢)	26	0.426	0.207

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2024

(All amounts are expressed in thousands of Ghana Cedi unless otherwise stated)

		2024	2023
	Note		
Assets Non-Current Assets			
Property, Plant and Equipment	11	162,965	153,112
Right-of-use-Assets	12	3,705	5,400
Intangible Assets	13	-	254
Deferred Tax Assets	19	7,860	8,805
		-----	-----
		174,530	167,571
		-----	-----
Current Assets			
Inventory	14	114,206	105,554
Trade and other Receivables	15	192,887	246,452
Current Income Tax Asset	23	-	4,751
Cash and Cash Equivalents	17	109,105	65,922
		-----	-----
		416,198	422,679
		-----	-----
Total Assets		590,728	590,250
		=====	=====
Equity and Liabilities			
Equity			
Share capital	18	10,000	10,000
Retained earnings		262,735	219,091
		-----	-----
Total equity		272,735	229,091
		-----	-----
Liabilities			
Non-Current Liabilities			
Employee Benefit Obligations	20	774	454
Lease Liabilities	12	2,257	5,060
Medium – Term Loan	9	-	55,000
		-----	-----
		3,031	60,514
		-----	-----
Current Liabilities			
Current Income Tax Liabilities	23	8,348	-
Lease Liabilities	12	2,272	1,505
Employee Benefit Obligations	20	159	116
Trade and Other Payables	21	303,582	296,063
Dividend Payable	22	601	2,961
		-----	-----
Current liabilities		314,962	300,645
		-----	-----
Total liabilities		317,993	361,159
		-----	-----
Total equity and liabilities		590,728	590,250
		=====	=====

These Financial Statements were approved by the Board on 7th April 2025 and signed on their behalf by:

FREDA DUPLAN
DIRECTOR

LIONEL PARENT
DIRECTOR

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are expressed in thousands of Ghana Cedi unless otherwise stated)

	Share Capital	Retained Earnings	Total Equity
2024			
Balance at 1 January	10,000	219,091	229,091
Profit for the year	-	49,455	49,455
Dividend to Equity Holders	-	(5,811)	(5,811)
	-----	-----	-----
Balance at 31 December	10,000	262,735	272,735
	=====	=====	=====
2023			
Balance at 1 January	10,000	195,079	205,079
Profit for the year	-	24,012	24,012
	-----	-----	-----
Balance at 31 December	10,000	219,091	229,091
	=====	=====	=====

STATEMENT OF CASH FLOWS**FOR THE YEAR ENDED 31 DECEMBER 2024****(All amounts are expressed in thousands of Ghana Cedi unless otherwise stated)**

	Note	2024	2023
Cash flows from Operating Activities			
Cash generated from/ (used in) Operations	24	159,370	34,113
Interest Paid	9	(12,661)	(27,278)
Interest Received	8	7,942	33,884
Tax Paid	23	(13,944)	(13,695)
Tax Refund		2,871	191
Net Cash Inflow from Operating Activities		143,578	27,215
Cash flows from investing activities			
Purchase of plant and equipment	11	(39,968)	(7,415)
Proceeds from sale of plant and equipment	11	4,746	2,673
Net cash outflow from Investing Activities		(35,222)	(4,742)
Cash flows from Financing Activities			
Principal Lease Payments	12	(2,002)	(2,832)
Dividend Paid	22	(8,171)	(39)
Medium Term Loan Paid	9	(55,000)	(15,000)
Net cash outflow from Financing Activities		(65,173)	(17,871)
Increase in Cash and Cash Equivalents		43,183	4,602
Analysis of changes in Cash and Cash Equivalents during the year			
Balance at 1 January		65,922	61,320
Increase in cash and cash equivalents		43,183	4,602
Balance at 31 December		109,105	65,922
Analysis of Cash and Cash Equivalents as disclosed in the Statement of Financial Position			
Cash and Cash Equivalents at end of year			
Cash at bank		101,650	60,781
Deposits on call		7,455	5,141
		109,105	65,922

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

(All amounts are expressed in thousands of Ghana Cedi unless otherwise stated)

1. Reporting Entity

Fan Milk Plc ("the Company") is a public limited liability company incorporated in Ghana and listed on the Ghana Stock Exchange. The registered office is located at No. 1 Dadeban Road, North Industrial Area, Accra.

The principal activity of the Company is the manufacture, production and distribution of recombined milk and other dairy products as well as to carry on the business of sellers and dealers in recombined milk and other dairy products and other preserved provisions both wholesale and retail.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

The financial statements have been prepared on the historical cost basis, except for certain financial instruments that have been measured at fair value.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) and the requirements of the Companies Act, 2019 (Act 992). The Company considers the following to be the most important accounting policies. In applying these accounting policies, management makes certain judgements and estimates that affect the reported amounts of assets and liabilities at the end of the period and the reported revenues and expenses during the financial year. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2 Functional and Presentation Currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Ghana Cedi (GH¢), which is the Company's presentation currency.

2.3 Amended Standard Adopted by the Company

The company has applied the following standards and amendments since 1 January 2020.

- Definition of Material-amendments to IAS 1 and IAS 8
- Definition of a Business-amendments to IFRS 3
- Interest Rate Benchmark Reform-amendments to IFRS 9, IAS 39 and IFRS 7
- Revised Conceptual Framework for Financial Reporting

2.4 Application of new and revised International Financial Reporting Standards (IFRSs) that are effective for the current year but with no material impact upon adoption

In the current year, the Company applied a number of amendments to IFRS Standards and Interpretations issued by the IASB that are effective for annual periods that begin on or after 1 January 2024. Their adoption has not had any material impact on disclosures or amounts reported in these financial statements.

IFRS S1 Sustainability-related financial disclosures

IFRS S1 requires an entity to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term (collectively referred to as 'sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects').

It also prescribes how an entity prepares and reports its sustainability-related financial disclosures. It sets out general requirements for the content and presentation of those disclosures so that the information disclosed is useful to users in making decisions relating to providing resources to the entity.

IFRS S2 Climate-related disclosures

IFRS S2 sets out the requirements for disclosing information about an entity's climate-related risks and opportunities. In particular, IFRS S2 requires an entity to disclose information that enables users of general-purpose financial reports to understand:

- the governance processes, controls and procedures the entity uses to monitor, manage and oversee climate-related risks and opportunities;
- the entity's strategy for managing climate-related risks and opportunities;
- the processes the entity uses to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process; and
- the entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related target it has set, and any target it is required to meet by law or regulation.

Amendment to IAS 7 and IFRS 7 Supplier Finance Arrangements

The Amendments require entities to provide certain specific disclosures (qualitative and quantitative) related to supplier finance arrangements. The Amendments also provide guidance on characteristics of supplier finance arrangements, the presentation requirements for liabilities and associated cash flows arising out of supply chain financing arrangements and related disclosures.

Amendment to IFRS 16 Lease Liability in a Sale and Leaseback

The Amendments provide a requirement for the seller-lessee to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

Amendment to IAS 1 Classification of Liabilities as Current or Non-Current

The amendments require that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement for at least twelve months after the reporting period.

Amendment to IAS 1 Non-current Liabilities with Covenants

This is a further clarification to the initial amendment to IAS 1. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period.

Annual Improvements to IFRS Standards 2018–2023 Cycle

The Company has adopted the amendments included in the *Annual Improvements to IFRS Standards 2018–2023 Cycle* with no material impact including the following amendments:

Amendments to IAS 37 – Onerous Contracts—Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling

that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated.

Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after 1 January 2023, with early application permitted.

Amendments to IFRS 3 – *Reference to the Conceptual Framework*

The amendments update IFRS 3 so that it refers to the 2018 *Conceptual Framework* instead of the 1989 *Framework*.

They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 *Levies*, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2023. Early application is permitted if an entity also applies all other updated references (published together with the updated *Conceptual Framework*) at the same time or earlier.

IFRS 9 Financial Instruments- *Fees in the 10% test for derecognition of Financial Liabilities*

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2023, with early application permitted.

IFRS 10 and IAS 28 (amendments) - *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the IASB; however, earlier application of the amendments is permitted. The directors of the Company anticipate that the application of these amendments may have an impact on the Company's consolidated financial statements in future periods should such transactions arise.

Amendments to IAS 16 – Property, Plant and Equipment—Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 *Inventories*.

Performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

The amendments also clarify the meaning of ‘testing whether an asset is functioning properly’. IAS 16 now specifies this as assessing whether the technical and physical

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items

produced that are not an output of the entity’s ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments

The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Amendments to IAS 1 and IAS 8 Definition of material

The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of ‘obscuring’ material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from ‘could influence’ to ‘could reasonably be expected to influence’.

The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the *Conceptual Framework* that contain a definition of material or refer to the term ‘material’ to ensure consistency.

The amendments are applied prospectively for annual periods beginning on or after 1 January 2021, with earlier application permitted.

Amendments to IFRS 3 Definition of a business

The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

Additional guidance is provided that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or Company of similar assets.

The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after the first annual reporting period beginning on or after 1 January 2021, with early application permitted.

Impact of the initial application of Covid-19-Related Rent Concessions Amendment to IFRS 16

In May 2021, the IASB issued *Covid-19-Related Rent Concessions (Amendment to IFRS 16)* that provides practical relief to lessees in accounting for rent concessions occurring as a direct

consequence of COVID-19, by introducing a practical expedient to IFRS 16. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying IFRS 16 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all the following conditions are met:

- a. The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- b. Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and
- c. There is no substantive change to other terms and conditions of the lease.

In the current financial year, the Company applied the amendment to IFRS 16 (as issued by the IASB in May 2021) in advance of its effective date.

Amendments to IAS 28 *Long-term Interests in Associates and Joint Ventures*

The amendment clarifies that IFRS 9, including its impairment requirements, applies to other financial instruments in an associate or joint venture to which the equity method is not applied. These include long-term interests that, in substance, form part of the entity's net investment in an associate or joint venture. The Company applies IFRS 9 to such long-term interests before it applies IAS 28. In applying IFRS 9, the Company does not take account of any adjustments to the carrying amount of long-term interests required by IAS 28 (i.e., adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

Amendments to IFRS 9 *Prepayment Features with Negative Compensation*

The amendments to IFRS 9 clarify that for the purpose of assessing whether a prepayment feature meets the 'solely payments of principal and interest' (SPPI) condition, the party exercising the option may pay or receive reasonable compensation for the prepayment irrespective of the reason for prepayment. In other words, financial assets with prepayment features with negative compensation do not automatically fail SPPI.

IAS 12 *Income Taxes*

The amendments clarify that the Company should recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the Company originally recognised the transactions that generated the distributable profits. This is the case irrespective of whether different tax rates apply to distributed and undistributed profits.

IAS 23 *Borrowing Costs*

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

IFRS 3 *Business Combinations*

The amendments clarify that when the Company obtains control of a business that is a joint operation, the Company applies the requirements for a business combination achieved in stages, including remeasuring its previously held interest (PHI) in the joint operation at fair value. The PHI to be remeasured includes any unrecognised assets, liabilities and goodwill relating to the joint operation.

IFRS 11 *Joint Arrangements*

The amendments clarify that when a party that participates in, but does not have joint control of, a joint operation that is a business obtains joint control of such a joint operation, the Company does not remeasure its PHI in the joint operation.

Amendments to IAS 19 Employee Benefits Plan Amendment, Curtailment or Settlement

The amendments clarify that the past service cost (or of the gain or loss on settlement) is calculated by measuring the defined benefit liability (asset) using updated assumptions and comparing benefits offered and plan assets before and after the plan amendment (or curtailment or settlement) but ignoring the effect of the asset ceiling (that may arise when the defined benefit plan is in a surplus position). IAS 19 is now clear that the change in the effect of the asset ceiling that may result from the plan amendment (or curtailment or settlement) is determined in a second step and is recognised in the normal manner in other comprehensive income.

The paragraphs that relate to measuring the current service cost and the net interest on the net defined benefit liability (asset) have also been amended. The Company will now be required to use the updated assumptions from this remeasurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. In the case of the net interest, the amendments make it clear that for the period post plan amendment, the net interest is calculated by multiplying the net defined benefit liability (asset) as remeasured under IAS 19 with the discount rate used in the remeasurement (also taking into account the effect of contributions and benefit payments on the net defined benefit liability (asset)).

IFRIC 23 Uncertainty over Income Tax Treatments

IFRIC 23 sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The Interpretation requires the Company to:

- determine whether uncertain tax positions are assessed separately or as a Company; and
- assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings:

If yes, the Company should determine its accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings.

If no, the Company should reflect the effect of uncertainty in determining its accounting tax position using either the most likely amount or the expected value method.

New and revised IFRS Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective.

Amendment to IAS 21 Lack of Exchangeability (Effective from 1 January 2025)

The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. IAS 21, prior to the Amendments, did not include explicit requirements for the determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice.

Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments (Effective from 1 January 2026)

The Amendments permit an entity to early adopt only the amendments related to the classification of financial assets and the related disclosures and apply the remaining amendments later. This would be particularly useful to entities that wish to apply the Amendments early for financial instruments with ESG (Environmental, Social and Governance)-linked or similar features.

The Amendments may significantly affect how entities account for the derecognition of financial liabilities and how financial assets are classified.

IFRS 18 Presentation and Disclosure in Financial Statements (Effective from 1 January 2027)

The aim of the IASB in publishing IFRS 18 is to improve comparability and transparency of companies' performance reporting. IFRS 18 has also resulted in narrow changes to the statement of cash flows. sets out significant new requirements for how financial statements are presented, with particular focus on:

- The statement of profit or loss, including requirements for mandatory sub-totals to be presented. IFRS 18 introduces requirements for items of income and expense to be classified into one of five categories in the statement of profit or loss. This classification results in certain sub-totals being presented, such as the sum of all items of income and expense in the operating category comprising the new mandatory 'operating profit or loss' sub-total.

Aggregation and disaggregation of information, including the introduction of overall principles for how information should be aggregated and disaggregated in financial statements.

- Disclosures related to management-defined performance measures (MPMs), which are measures of financial performance based on a total or sub-total required by IFRS Accounting Standards with adjustments made (e.g. 'adjusted profit or loss'). Entities will be required to disclose MPMs in the financial statements with disclosures, including reconciliations of MPMs to the nearest total or sub-total calculated in accordance with IFRS Accounting Standards.

3. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented unless otherwise stated.

3.1 Basis of Accounting

The financial statements have been prepared under the historical cost convention as modified to include the fair valuation of certain financial instruments to the extent required or permitted under the Company's accounting policies and set out below:

3.2 Foreign Currency Transactions

The Company's foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognized in the profit and loss account.

3.3 Uses of Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected

3.4 Property, Plant and Equipment

Recognition

Property, plant and equipment held for use in the production or supply of goods, or for administrative purposes are stated in the statement of financial position at historical cost less depreciation. Historical cost includes the expenditure that is directly attributable to the acquisition of these items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Assets in the course of construction are carried at cost less any recognised impairment loss. Cost includes professional fees and other costs directly attributable to the completion of the assets.

Depreciation/Amortisation

Leasehold land is depreciated over the unexpired portion of the lease. Depreciation on other assets is calculated using the straight-line method to allocate their cost over their estimated useful lives, as follows:

Asset Category	Useful Life
Leasehold land	Over the unexpired portion of the lease
Buildings	15 – 33 years
Motor vehicles:	
Distribution Trucks	8 years
Other motor vehicles	5 years
Deep freezers and bicycles	5 years
Computers	3 years
Furniture and Fittings	5 years
Plant and Machinery	10 years

Included in the plant, machinery and others in note 11 are the cost and depreciation of deep freezers and bicycles, computers and furniture and fittings. The costs of distribution trucks are included in motor vehicles.

The assets' residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period. Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Any asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other gains/(losses) in profit or loss.

Impairment of Non-Financial Assets

At the end of each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. Fair value less costs to sell is determined as the amount obtainable from the sale of the asset in an arm's length transaction between knowledgeable and willing parties, less the costs of disposal.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or CGU) is estimated to be less than the carrying amount, the carrying amount of the asset (CGU) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately in profit or loss.

Intangible Assets (Computer Software)

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring the specific software to use. These costs are amortised over their estimated useful lives of three to five years

3.5 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of individual items of inventory are determined using the weighted average costs. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads, based on normal operating capacity. It excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. Spare parts are generally treated as inventories. As they are usually used for maintenance and repairs, their cost is expensed when used. However, there are exceptions where:

- Major spare parts are recorded as property, plant and equipment when the company expects to use them over periods of more than one year; and
- Spare parts that can be used only in connection with an item of property, plant and equipment, so as to extend its useful life or to substantially improve its performance, are recorded as property, plant and equipment.

3.6 Financial Assets and Liabilities

Financial Assets

Classification

The Company has one type of financial asset that is subject to the expected credit loss model, which are trade receivables from contracts with customers. The Company classifies its financial assets as 'financial assets measured at amortised cost'

Financial instruments are classified as 'financial assets at amortised cost' when both criteria outlined below are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Recognition and Derecognition

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets expire or are transferred and the Company transfers substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures its financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent to initial recognition, these assets are measured at amortised cost using the effective interest rate method. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented together with foreign exchange gains and losses. Impairment losses are presented as separate line item in profit or loss.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Impairment of Financial Assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

The Company recognises a 100% impairment loss on receivables exceeding 180 days. The Company's expected loss rates used in calculating impairment losses are based on the payment profiles of sales customers and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

While cash and cash equivalents and amounts due from related parties are also subject to the impairment requirements of IFRS 9, there was no identified material impairment loss.

3.7 Trade Receivables

Trade receivables are amounts due from customers for merchandise sold in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. The impairment provision is determined using the expected credit loss model by considering cash short falls in various default scenarios.

3.8 Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, minus directly attributable transaction cost. The company's financial liabilities include trade and other payables.

Subsequent measurement of financial liabilities

Financial liabilities are subsequently measured at amortised cost.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement. For non-substantial modifications, a gain or loss is recognised at the time of the modification.

3.9 Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

3.10 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts.

3.11 Stated Capital

The proceeds of ordinary shares are classified as 'stated capital' in equity.

3.12 Taxation

The amount stated as Income tax expense for the period comprises current and deferred income tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax

Current tax liabilities for the current and prior periods are measured at the amount expected to be paid to the taxation authorities. The tax rate and tax laws used to compute the amount are those enacted or substantively enacted by the statement of financial position date.

Deferred income tax

Deferred tax is recognised using the liability method on all temporary differences arising between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at year end.

Deferred income tax assets are recognised for all deductible temporary differences, unused tax credits and unused tax losses, only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and deferred tax liabilities are offset only when the Company has a legally enforceable right to set off current tax assets against current tax liability and the deferred tax assets and the deferred tax liabilities relates to income tax levied by the same tax authority on the same taxable entity.

3.13 Dividends

Dividends on ordinary shares are charged to equity in the period in which they are approved by the Company's shareholders.

3.14 Revenue Recognition

The Company derives its revenue from the sale of goods. The Company produces and sells a range of dairy products through sales agents and other distributors. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer.

Sales agents do not have full discretion over the price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location. The risks of obsolescence and loss are not transferred to the agents and distributors. The products are often sold with retrospective volume discounts based on aggregate monthly sales. The product disaggregation is disclosed in Note 5.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

All volume discounts payable to customers in relation to sales made until the end of the reporting period are paid during the period. No element of financing is deemed present as sales are made with a credit term of between 8 to 45 days, which is consistent with market practice. The Company's obligation to replace damaged or expired products under the sales terms is recognised as a provision.

3.15 Employee Benefits

Pension Obligations

The Company operates a defined contribution pension plan. A defined contribution pension plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service. The contributions are recognised as employee benefit expense when they are due.

Long service awards

The Company gives awards to all employees to recognise and reward members of staff for continuous and dedicated service. Employees are rewarded for period of service in excess of 10 years. Liabilities for long service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period.

3.16 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and

the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an administrative expense.

3.17 Earnings Per Share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.18 Segment Reporting

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for the allocation of resources and assessing performance of the operating segments.

3.19 Contingent Liabilities

Contingent liabilities are potential liabilities that arise from past events, the existence of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events which are not wholly within the control of the Company. Provisions for liabilities are recorded when a loss is considered probable and can be reasonably estimated.

The amount is determined as the potential undiscounted amount of all future payments that the Company could be required to make if an adverse decision occurs against the Company.

3.20 Leases

The Company leases one warehouse and entered into a non-cancellable lease agreement with a transport service limited in June 2022. Rental contracts are typically made for fixed periods of 5 years but may have extension options. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received.
- any initial direct costs, and

- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Payments associated with short-term leases of buildings are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Extension and termination options

Extension and termination options are included in the lease contract. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The extension options held are solely exercisable by both the Company and the respective lessor.

4. Critical Accounting Estimates and Judgements

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Because of the inherent uncertainties in this evaluation process, actual losses may be different from the originally estimated provision. In addition, estimates are subject to change as new information becomes available and changes subsequent to these estimates may significantly affect future operating results. Management also needs to exercise judgement in applying the Company's accounting policies.

4.1 Estimated Useful Lives of Property, Plant and Equipment

Critical estimates are made by the Directors in determining depreciation rates for property, plant and equipment. The rates used are set out in note 3.4 (ii). Should the estimated useful lives of the property and equipment differ by 1% from management's estimates, the carrying amount of the property and equipment will change by an estimated GH¢255,493 (2023: GH¢257,880) higher or lower.

4.2 Income Taxes

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current income tax and deferred income tax provisions in the period in which such determination is made.

4.3 Impairment of Account Receivables

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4.4 Employee Benefit Obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost include the turnover rate and inflation rate. Any changes in these assumptions will impact the carrying amount of employee benefit obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that is applied to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for pension obligations are based in part on current market conditions.

4.5 Leases

Critical Judgement in Determining the Lease Term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). For lease of the warehouses the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).

Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

Extension options in warehouse have not been included in the lease liability, because the Company could replace the assets without significant cost or business disruption.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it.

The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

During the current financial year, there was no revisions made in lease terms to exercise extension and termination options.

5. Revenue

	2024	2023
Net Sales	683,822	549,416
	=====	=====
Gross Sales by Product Type		
Dairy	600,449	488,131
Juice	738	3,932
Ice Cream	70,925	122,802
Plant base milk	126,897	7,772
	-----	-----
Gross sales	799,009	622,637
Rebates	(115,187)	(73,221)
	-----	-----
	683,822	549,416
	=====	=====

6. Expense by Nature

Raw materials and consumables	321,336	256,486
Employee benefits expense (Note 6a)	80,059	57,586
Depreciation - Plant, Property and Equipment (Note 11)	25,550	25,788
Amortisation of Intangible Assets (Note 13)	254	292
Depreciation - Right of Use Assets (Note 12)	1,695	2,839
Repairs and maintenance	27,301	23,627
Vehicle running expenses	1,101	1,140
Utilities	38,542	26,938
Fuel	5,499	3,704
Insurance	2,002	1,421
Sales promotion and advertising expenses	13,958	13,159
Technical service fee	-	9,584
Auditor's remuneration	400	344
Directors' emoluments	948	466
Donations	19	10
Transportation expenses	46,245	35,238
Impairment charge (Note 15)	3,252	2,789
Information technology expenses	3,588	2,932
Outsourced labour costs	7,888	7,707
Communication expenses	1,643	1,119
Security services expenses	1,477	1,314
Short term rent expenses	197	151
Environmental and social responsibility expenses	192	1,008
Net exchange (gain)/loss	(18,230)	16,513
Consultancy expenses	15,415	11,589
Medical expenses	3,920	3,005
Other expenses	16,018	7,147
Other factory expenses	10,203	9,461
	-----	-----
	610,472	523,357
	=====	=====

6(a). Expenses by nature have been disclosed in the statement of comprehensive income as follows:

	2024	2023
Cost of Sales	435,537	378,144
Distribution costs	120,681	105,208
Impairment of financial assets	3,252	2,789
Administrative expenses	51,002	37,216
	-----	-----
	610,472	523,357
	=====	=====

Depreciation charge on right-of-use assets has been classified in distribution costs

Employee benefit expense comprise:

	2024	2023
Wages, salaries and allowances	73,935	52,446
Pension costs	4,255	3,510
Long service awards expense	316	207
Provident fund costs	1,553	1,423
	-----	-----
	80,059	57,586
	=====	=====

The total number of staff employed by the company as at 31 December 2024 was 292 (2023: 291).

7. Other Income

	2024	2023
Profit on disposal of plant and equipment	181	63
Sales of empty bags and scraps	328	781
Rental income	1,497	2,583
Bad debts recovered	2,071	963
Provision no longer required	213	-
	-----	-----
	4,290	4,390
	=====	=====

8. Finance Income

Interest income on fixed deposit and call accounts with banks	7,942	5,282
Interest on overdue invoices - Intercompany	-	28,602
	-----	-----
	7,942	33,884
	=====	=====

9. Finance Cost

Interest expense on agents' savings	2,667	2,109
Interest on lease liability	1,418	1,909
Interest on loans	8,576	23,260
	-----	-----
	12,661	27,278
	=====	=====

A medium-term loan advanced by Stanbic Bank was repaid during the year.

Interest is paid on amounts held by the company on rebates earned by agents, which is held as collateral against trade receivables.

The Company has chosen to present interest received on financial assets as operating cash flows. Interest paid has also been classified under operating cash flows to assist users in determining the company's ability to pay interest out of operating cash flows.

10. Income Tax Expense

	2024	2023
Current income tax charge	20,698	13,229
Deferred tax credit (Note 19)	945	(803)
Growth and Sustainability Levy	1,823	617
	-----	-----
	23,466	13,043
	=====	=====

11. Property Plant and Equipment

	Leasehold Land	Buildings	Motor Vehicles	Plant & Machinery	Work In Progress	Total
2024						
Cost						
At 1 January	3,830	51,405	31,899	269,606	11,085	367,825
Additions	-	-	-	-	39,968	39,968
Transfers	-	173	1,638	6,811	(8,622)	-
Disposals	-	-	(6,541)	(12,736)	-	(19,277)
Impairment	-	-	-	(507)	-	(507)
	-----	-----	-----	-----	-----	-----
At 31 December	3,830	51,578	26,996	263,174	42,431	388,009
	=====	=====	=====	=====	=====	=====
Depreciation						
At 1 January	1,234	20,587	28,170	164,722	-	214,713
Charge for the year	74	2,616	1,341	21,519	-	25,550
Disposals	-	-	(5,517)	(9,195)	-	(14,712)
Impairment	-	-	-	(507)	-	(507)
	-----	-----	-----	-----	-----	-----
At 31 December	1,308	23,203	23,994	176,539	-	225,044
	=====	=====	=====	=====	=====	=====
Net Book Value	2,522	28,375	3,002	86,635	42,431	162,965
	=====	=====	=====	=====	=====	=====

Profit on disposal of plant and equipment

	2024	2023
Cost	19,277	16,431
Accumulated Depreciation	(14,712)	(13,821)
	-----	-----
Net book value	4,565	2,610
Sales proceeds	(4,746)	(2,673)
	-----	-----
Profit on disposal	(181)	(63)
	=====	=====

	Leasehold Land	Buildings	Motor Vehicles	Plant & Machinery	Work In Progress	Total
2023						
Cost						
At 1 January	3,830	51,405	32,469	285,418	3,719	376,841
Additions	-	-	-	49	7,366	7,415
Disposals	-	-	(570)	(15,861)	-	(16,431)
	-----	-----	-----	-----	-----	-----
At 31 December	3,830	51,405	31,899	269,606	11,085	367,825
	=====	=====	=====	=====	=====	=====
Depreciation						
At 1 January	1,161	17,913	27,790	155,882	-	202,746
Charge for the year	73	2,674	950	22,091	-	25,788
Disposals	-	-	(570)	(13,251)	-	(13,821)
	-----	-----	-----	-----	-----	-----
At 31 December	1,234	20,587	28,170	164,722	-	214,713
	=====	=====	=====	=====	=====	=====
Net Book Value	2,596	30,818	3,729	104,884	11,085	153,112
	=====	=====	=====	=====	=====	=====

Profit on disposal of plant and equipment

	2023	2022
Cost	16,431	3,675
Accumulated Depreciation	(13,821)	(3,097)
	-----	-----
Net book value	2,610	578
Sales proceeds	(2,673)	(1,776)
	-----	-----
Profit on disposal	(63)	(1,198)
	=====	=====

12. Leases**Right-of-use assets**

	Buildings (Warehouse)	Vehicles	Total
2024			
Cost			
At 1 January	4,657	9,301	13,958
Additions	-	-	-
	-----	-----	-----
At 31 December	4,657	9,301	13,958
	=====	=====	=====
Depreciation			
At 1 January	4,657	3,901	8,558
Charge for the year	-	1,695	1,695
	-----	-----	-----
At 31 December	4,657	5,596	10,253
	=====	=====	=====
Carrying Amount	-	3,705	3,705
	=====	=====	=====

	Buildings (Warehouse)	Vehicles	Total
2023			
Cost			
At 1 January	4,657	9,301	13,958
Additions	-	-	-
	-----	-----	-----
At 31 December	4,657	9,301	13,958
	=====	=====	=====
Depreciation			
At 1 January	3,872	1,847	5,719
Charge for the year	785	2,054	2,839
	-----	-----	-----
At 31 December	4,657	3,901	8,558
	=====	=====	=====
Carrying Amount			
	-	5,400	5,400
	=====	=====	=====

Disclosures on leases in the statement of financial position are as follows:

	2024	2023
Right-of-use assets	3,705	5,400
	=====	=====
Lease liabilities:		
Current lease liabilities	2,272	1,505
Non-current lease liabilities	2,257	5,060
	-----	-----
	4,529	6,565
	=====	=====

Disclosures on leases in the statement of profit and loss are as follows:

Depreciation:		
Warehouse	-	785
Vehicles	1,695	2,054
	-----	-----
	1,695	2,839
	=====	=====
Payments with respect to lease:		
Principal	2,002	2,832
Interest	1,418	1,909
	-----	-----
	3,420	4,741
	=====	=====

13. Intangible Assets

	2024	2023
Cost		
At 1 January	2,218	2,218
Additions	-	-
Disposal	-	-
	-----	-----
At 31 December	2,218	2,218
	=====	=====
Amortisation		
Balance at 1 January	1,964	1,672
Charge for the year	254	292
Release on Disposal	-	-
	-----	-----
At 31 December	2,218	1,964
	=====	=====
Carrying Amount		
At 31 December	-	254
	=====	=====

14. Inventories

Raw materials	85,530	45,058
Finished goods	5,245	8,172
Work in progress	538	302
Goods in transit	7,898	17,907
Consumables	14,995	34,115
	-----	-----
	114,206	105,554
	=====	=====

Inventories charged to the statement of profit or loss and other comprehensive income during the year ended 31 December 2024 was **GH¢321.3 million** (2023: GH¢256.5 million). An amount of **GH¢6.0 million** was charged to profit or loss in respect of expired and damaged inventories during the year ended 31 December 2024 (2023: GH¢9.5 million).

15. Trade and Other Receivables

	2024	2023
Trade receivables	24,457	59,300
Impairment allowance	(5,594)	(6,565)
	-----	-----
Trade receivables - net	18,863	52,735
Due from related companies	165,230	185,133
Other receivables	2,243	1,670
Due from staff	930	590
Prepayments	5,621	6,324
	-----	-----
	192,887	246,452
	=====	=====

The maximum amount of staff indebtedness during the year did not exceed GH¢931,000 (2023: GH¢590,000).

The fair value of amounts due from staff is based on the discounted cash flows using a borrowing rate of 30.00% (2023: 30.00% per rate annum). The Company applied the Ghana Reference Rate (GRR) plus an appropriate credit rating from the Company's key bankers as the discount rate. The directors consider the carrying amount of other receivables to approximate their fair value.

The movement on impairment allowance for trade receivables is as follows:

	2024	2023
At 1 January	6,565	4,739
Impairment allowance	3,252	2,789
Bad debts recovered	(2,071)	(963)
Release	(2,152)	-
	-----	-----
At 31 December	5,594	6,565
	=====	=====

16. Taxation

The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

	2024	2023
Profit before tax	72,921	37,055
	=====	=====
Tax charged		
Trade receivables - net		
Local Sales (88.10% @ 25%)	16,061	7,540
Export Sales (11.90% @8%)	694	551
	-----	-----
	16,755	8,091
Tax effect of:		
Expenses not deductible in determining taxable profit	22,060	18,885
Income not taxable	(6,247)	(3,206)
Other timing differences	(9,221)	(8,366)
2024 Excess Finance cost b/f	(2,649)	(36)
Unutilised Tax Loss - 2023	-	(2,139)
Growth and Sustainability Levy	1,823	617
Movement in Deferred Tax	945	(803)
	-----	-----
	23,466	13,043
	=====	=====

The effective corporate tax rate for the year ended 31 December 2024 was 32.18% (2023: 35.20%)

17. Cash and Cash Equivalents

	2024	2023
Cash at bank	101,650	60,781
Deposits on call	7,455	5,141
	-----	-----
	109,105	65,922
	=====	=====

18. Stated Capital

The authorised number of shares of the Company is 197,500,000 ordinary shares of no-par value, out of which issues and the consideration received are as follows:

Issued	No. of shares	Amount
For cash	19,784,548	19
Bonus issue	96,422,740	4,000
Capitalised from retained earnings	-	5,981
	-----	-----
	116,207,288	10,000
	=====	=====

There was no change in the authorised and issued number of shares of the Company during the year. There is no share in treasury and no call or instalment unpaid on any share.

19. Deferred tax

Deferred tax is calculated in full on temporary differences under the liability method using the enacted income tax rate of 25% (2023: 25%). There were no unrecognised tax assets as at 31 December 2024. (2023: Nil). The movement in deferred income tax is as follows:

	At 1 January	(Credit)/Charge to profit or loss	At 31 December
2024			
Deferred tax liabilities			
Property, plant and equipment			
on historical cost basis	6,893	(2,750)	4,143
Right-of-use assets	(948)	(166)	(1,114)
Provision for staff leave	(622)	1	(621)
General provision - Trade	(3,266)	4,518	1,252
General provision - Non-Trade	(5,968)	(4,153)	(10,121)
Provision - invoices over 180 days	(1,641)	242	(1,399)
Provision for long service awards	(142)	142	-
Excess financial cost - 2024	(3,111)	3,111	-
	-----	-----	-----
	(8,805)	945	(7,860)
	=====	=====	=====
2023			
Deferred tax liabilities			
Property, plant and equipment			
on historical cost basis	8,789	(1,896)	6,893
Right-of-use assets	(121)	(827)	(948)
Provision for staff leave	(822)	200	(622)
General provision - Trade	(3,156)	(110)	(3,266)
General provision - Non-Trade	(5,315)	(653)	(5,968)
Provision - invoices over 180 days	(1,185)	(456)	(1,641)
Provision for long service awards	-	(142)	(142)
Excess financial cost - 2023	(3,448)	337	(3,111)
Tax losses - 2023	(2,744)	2,744	-
	-----	-----	-----
	(8,002)	(803)	(8,805)
	=====	=====	=====

20. Employee benefit obligations

The Company operates an employee benefit plan for its employee based on the length of service. The Company's legal or constructive obligation, except for inflationary risk, is limited to the amount due when the employee qualifies for the next level of long service award.

	2024	2023
Long service award	933	570
	=====	=====
The movement in the net defined benefit obligation and the amounts recognised in the statement of financial position are as follows:		
	2024	2023
Present value of obligation		
At 1 January	570	880
Addition to/(Reversal of) provision for long service awards	363	(310)
	-----	-----
At 31 December	933	570
	===	===
Non-current portion of employee benefit obligations	774	454
Current portion of employee benefit obligations	159	116
	-----	-----
	933	570
	===	===

The significant actuarial assumptions applied are as follows

Attrition rate	11.7%	15.0%
Inflation rate	24.1%	15.0%
	=====	=====

21. Trade and other payables

Trade payables	51,735	78,233
Due to related companies	135,162	123,105
Other payables	77,619	54,907
Accrued expense	39,066	39,818
	-----	-----
	303,582	296,063
	=====	=====

The carrying amounts of the above trade and other payables approximate their fair values due to their short-term nature.

22. Dividend payable

	2024	2023
Balance at 1 January	2,961	3,000
Dividend Declared	5,811	-
Dividend paid	(8,171)	(39)
	-----	-----
Balance at 31 December	601	2,961
	===	=====

Dividends paid are subject to withholding tax at a rate of 8%. The Directors recommend the payment of a dividend of **GH¢0.08 per share amounting to GH¢9.3 million** for the year ended 31 December 2024 (2023: GH¢0.05 per share amounting to GH¢5.8 million).

23. Current income tax

Year of Assessment	At 1 Jan	Charge for the year	Payments	Adjustments	At 31 Dec
Up to 2019	157	-	-	-	157
2020	(3,056)	-	-	-	(3,056)
2021	(4,300)	-	-	4,300	-
2022	2,105	-	-	-	2,105
2023	343	-	-	222	565
2024	-	22,521	(13,944)	-	8,577
	-----	-----	-----	-----	-----
	(4,751)	22,521	(13,944)	4,522	8,348
	=====	=====	=====	=====	=====

The total adjustment of GH¢4.5 million relates to the reversal of CIT overpayments for the 2021 to 2023 years of assessment, following tax audits carried out by the Ghana Revenue Authority. A total of GH¢1.7 million in respect of other taxes due was deducted from the overpayments and an amount of GH¢2.8 million was refunded to the company.

24. Cash generated from operations

Reconciliation of net profit/(loss) before tax to cash generated from operations:

	2024	2023
Profit before tax	72,921	37,055
Depreciation (Note 11)	25,550	25,788
Impairment of financial assets	3,252	2,789
Amortisation of intangible assets (Note 13)	254	292
Depreciation charge on right-of-use assets (Note 12)	1,695	2,839
Interest paid (Note 9)	12,661	27,278
Finance income (Note 8)	(7,942)	(33,884)
Profit on disposal of property, plant & equipment (Note 11)	(181)	(63)
Tax Adjustment	1,651	-
Changes in working capital:		
(Increase)/Decrease in inventories	(8,652)	45,423
Decrease/(Increase) in trade and other receivables (less interest receivable on staff loan and impairment on financial assets)	50,279	(73,476)
Increase in employee benefit obligations	363	310
Increase/(Decrease) in trade and other payables	7,519	(238)
	-----	-----
Cash Generated from Operations	159,370	34,113
	=====	=====

25. Related party disclosures

Fan Milk International A/S holds 62.11% of the Company's issued ordinary shares in Fan Milk Plc. Fan Milk International A/S is the majority shareholder of the Company and has other holdings in Fan Milk Plc (Nigeria), Fan Milk S.A. (Togo), Fan Milk SARL (Benin), Fan Milk Côte d'Ivoire S.A, and Fan Milk West Africa Limited. These Companies are therefore entities related through common control. In the normal course of business, the Company entered into the following transactions with related parties:

	2024	2023
Goods Purchased		
Cote D'Ivoire	359	364
Alpro	3,004	1,361
Danone SA	26,558	8,810
Danone Central	-	83
Nigeria	1,209	606
Fan Milk International	-	15,474
Danone Egypt	-	466
	===	===
Goods sold		
Togo	44,547	49,922
Cote D'Ivoire	49,376	68,096
Fan Milk W/A	8,496	14,201
Nigeria	6,367	2,915
Danone Central	-	320
	=====	=====
Technical Fee		
Fan Milk International	-	9,584
	=====	=====

Outstanding balances arising from sales and purchases of goods and services are as below:

Due to related companies

	2024	2023
Fan Milk International A/S (Royalties)	76,013	77,761
Danone SA	34,147	24,393
Fan Milk International A/S	8,165	6,647
Fan Milk Togo	12,039	7,951
Fan Milk West Africa	4,798	6,108
Danone France	-	245
	-----	-----
	135,162	123,105
	=====	=====

The amount due from and due to related companies are unsecured. No guarantees were issued by the Company to its related companies during the year ended 31 December 2024 and 31 December 2023.

Due from related companies

	2024	2023
Fan Milk Nigeria	12,820	5,104
Fan Milk Cote D'Ivoire	35,710	51,434
Fan Milk Togo	102,747	123,261
Fan Milk West Africa	13,587	5,091
Emidan	-	8
Central Danone	366	235
	-----	-----
	165,230	185,133
	=====	=====

26. Earnings per share

Profit for the year	49,455	3,000
Number of ordinary shares issued	116,207,288	116,207,288
Basic and diluted earnings per share (GH¢)	0.426	0.207

There are no share options or potential rights issues, hence diluted earnings per share are the same as the basic earnings per share.

27. Contingent Liabilities

There were no contingent assets/liabilities as at the reporting date and as at 31 December 2023.

28. Financial risk management objectives and policies**Financial risk factors**

The Company's activities expose it to a variety of risks, including financial, market (including foreign exchange and interest rate), credit and liquidity risks. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects those risks may have on its financial performance. The Company does not hedge any of its risk exposures. Risk management is carried out by management of the Company under policies approved by the board of Directors.

Market Risk*Foreign exchange risk*

Foreign exchange risk arises as a result of cash, accounts receivable and accounts payable balances that are denominated in foreign currency. The Company seeks to reduce its foreign exchange risk exposure through a policy of matching, as far as possible, assets and liabilities denominated in foreign currencies. The Company imports raw materials, spare parts and equipment from overseas and is therefore exposed to foreign exchange risks arising from Euro and United States Dollar exposures.

Management is responsible for minimising the effect of the currency exposure by holding bank accounts in foreign currencies.

If the local currency had weakened/strengthened by 10% (2023: 10%) against exposures denominated in US dollar at 31 December 2024, with all variables held constant, post-tax profit for the year and equity would have increased/decreased by GH¢354,834 (2023 GH¢1,434,111).

The expected loss rates are based on the payment profiles of sales customers and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information. Due to the number of debtors and the credit life of receivables, management incorporates forward looking information into the impairment provisioning based on feedback received from salesmen. Salesmen visit agents twice a week averagely. Based on these visits, any relevant forward-looking information that is gathered on the operations of the agents and their ability to honour their obligations is communicated to the accounts receivable team.

On that basis, the loss allowance as at December 31, 2024 has been estimated as follows:

	Not yet Due	0 to 30 days	31 to 60 days	61 to 90 days	Above 90 days	Total
2024						
Gross carrying amount	16,969	196	657	547	6,088	24,457
Expected credit loss rate	0.01%	0.03%	0.55%	20%	90%	
Loss allowance	2	-	4	109	5,479	5,594
	==	==	==	===	====	=====

The Company assessed other receivables, cash and related party receivables balances to determine their expected credit losses. Based on this assessment, the identified expected credit loss was estimated at **GH¢5.594 million** at 31 December 2024 (2023: GH¢6.565 million).

Liquidity Risk

The Company evaluates its ability to meet its obligations on an ongoing basis. Based on these evaluations, the Company devises strategies to manage its liquidity risk. Prudent liquidity risk management implies that sufficient cash is maintained, and that sufficient funding is available through an adequate amount of committed credit facilities.

The Company places cash in interest bearing current account to provide sufficient funding to meet its obligations. At the end of the reporting date, bank accounts, cash held on call and fixed deposit accounts was **GH¢109.11 million** (2022: GH¢65.92 million).

Materiality analysis of financial liabilities:

The table below analyses the maturity profile of the Company's financial liabilities.

	2024			2023		
	Within 12 months	Over 12 months	Total	Within 12 months	Over 12 months	Total
Trade and other payables excluding non-financial liabilities	264,516	-	264,516	256,245	-	256,245
Lease liabilities	2,272	2,257	4,529	1,505	5,060	6,565
	-----	-----	-----	-----	-----	-----
	266,788	2,257	269,045	257,750	5,060	262,810
	=====	=====	=====	=====	=====	=====

Fair values of financial assets and liabilities

The carrying amounts of all financial assets and liabilities are a reasonable approximation of their fair value, because of their short-term nature.

If the local currency had weakened/strengthened by 10% (2023: 10%) against exposures denominated in Euro at 31 December 2024, with all variables held constant, post-tax profit for the year and equity would have increased/decreased by GH¢6,009,069 (2023 GH¢6,221,105).

	2024	2023
Cash and cash equivalents	20,429	11,346
Trade and other receivables (Due from Related Party)	138,837	179,798
Trade and other payables (Due to Related Party)	(74,414)	(127,317)
	-----	-----
	84,852	63,827
	=====	=====

Interest rate risk

The sensitivity analysis for interest rate risk shows how changes in the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates at the reporting date.

Credit risk

Financial instruments that potentially subject the Company to credit risk are primarily cash and cash equivalents and trade and other receivables. Trade and other receivables are mainly derived from sales to customers and amount due from related parties. The Company does not have any significant concentrations of credit risk. The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for trade receivables. The expected credit losses also incorporate forward looking information.

Trade and other receivables consist of invoiced amounts from normal trading activities and amount due from related parties. Strict credit control is exercised through monitoring of cash received from customers and other parties and, when necessary, provision is made for specific doubtful accounts.

As at 31 December 2024, management was unaware of any significant unprovided credit risk (2023: Nil)

The Company manages credit risk relating to cash and cash equivalents by transacting banking business with only financial institutions licensed by the Bank of Ghana.

The table below shows the maximum exposure to credit risk by class of financial instruments:

	2024	2023
Cash and cash equivalents (excluding cash on hand)	109,105	65,922
Trade and other receivables (due from related party)	18,863	52,735
Amount due from related companies	165,230	185,133
Due from staff	930	590
Other receivables (excluding prepayments)	2,243	1,670
	-----	-----
Total credit exposure	296,371	306,050
	=====	=====

Agents' savings amounting to **GH¢29.7 million** (2023: GH¢22.6 million) are held as collateral against trade receivables.

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the statement of financial position date.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Financial assets at amortised cost

	2024	2023
Trade and other receivables (excluding non-financial assets)	21,106	54,405
Amount due from related parties	165,230	185,133
Cash and cash equivalents	930	590
Amount due from staff	109,105	65,922
	-----	-----
	306,050	296,371
	=====	=====

29. Fair values of financial assets and liabilities

Financial liabilities at amortised cost

Trade and other payables (excluding non-financial liabilities)	264,516	256,245
	=====	=====

The Company discloses the fair value measurements by level of the following fair value measurement hierarchy:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, no observable inputs).

The carrying value of the company's financial assets and liabilities approximates its fair value.

30. Capital Commitments

There were no capital commitments at the end of the year. (2023: Nil).

31. Capital risk management

The company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders to maximise shareholder value and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

32. Capital risk management

Management has determined the operating segments based on the reports reviewed by the Heads of Department. These reports are used to make strategic decisions. The Company considers the business from a product perspective.

The reportable operating segments derive their revenue from the manufacture and distribution of dairy products, fruit drinks and Plant Based Milk. Ninety-six percent of the Company's revenue is derived from sale of dairy products and the remaining four percent is derived from sale of fruit drinks and plant-based milk. Management considers the products to have similar economic characteristics, and they have therefore been aggregated into a single operating segment.

33. Subsequent events

The Directors are not aware of any material events that have occurred between the date of the statement of financial position and the date of its issue that may require adjustment of, or disclosure in, the financial statements.

APPENDICES

(All amounts are expressed in thousands of Ghana Cedi unless otherwise stated)

Five Year Financial Summary

Year end	2024	2023	2022	2021	2020
Profit/(Loss) after tax	49,455	24,012	(41,596)	(13,430)	514
Earnings per share	0.426	0.207	(0.358)	(0.116)	0.004
Total number of issued shares	116,207,288	116,207,288	116,207,288	116,207,288	116,207,288
Dividend per share	0.08	0.05	-	-	-
Total assets	590,728	590,250	584,060	571,562	436,252
Shareholders' funds	272,735	229,091	205,079	246,675	260,105
Permanent staff	292	291	355	321	417
Stock price range (per share)					
High (GH¢)	3.70	3.25	4.00	5.14	4.12
Low (GH¢)	3.25	2.50	3.00	1.08	1.01

Distribution of Gross Sales

	2024	2023	Change	% Change
Revenue (Gross)	799,099	622,637	176,372	28
Revenue (Excluding Rebates)	683,822	549,416	134,406	24
Cost of sales	435,537	378,144	57,393	15
Distribution costs	120,681	105,208	15,473	15
Administrative expenses	51,002	37,216	13,786	37
Impairment of financial assets	3,252	2,789	463	17
Finance costs	12,661	27,278	(14,617)	(54)
Tax	(23,466)	(13,043)	(10,423)	80

Year end

Transfer to equity	49,455	24,012	25,443	106
Other Income	4,290	4,390	(100)	(2)
Finance Income	7,942	33,884	(25,942)	(77)

Operational Results

Revenue	683,822	549,416	134,406	24
Cost of sales	(435,537)	(378,144)	(57,393)	15
Distribution costs	(120,681)	(105,208)	(15,473)	15
Administrative expenses	(51,002)	(37,216)	(13,786)	37
Impairment of financial assets	(3,252)	(2,789)	(463)	17
Finance costs	(12,661)	(27,278)	14,617	54
Finance Income	7,942	33,884	(25,942)	77
Other income	4,290	4,390	(100)	(2)
Profit before Income Tax	72,921	37,005	35,866	97
Income tax expense	(23,466)	(13,043)	(10,423)	80
Profit for the year	49,455	24,012	25,443	106

SHAREHOLDING DISTRIBUTION AS AT 31 December 2024

The following are the twenty largest shareholders as of 31 December 2024. All shareholders have equal voting rights.

No.	Name of Shareholder	Number of shares	Percentage
1.	Fan Milk International A/S	72,178,636	62.11
2.	Std Noms/TR ACC/BNYM Re Krohne Fund, LP	6,730,997	5.79
3.	Std Noms/Trust/ACCT/BNYM Re Gothic Corp Mutima Cap, Ital	2,506,431	2.16
4.	SCGN/RBC Investor Services Re Coeli Sicav I -	2,089,300	1.80
5.	Social Security and National Insurance Trust	1,853,124	1.59
6.	SCGN/EPACK Investment Fund Limited Transaction E I F L	1,254,684	1.08
7.	SCGN/SSBT For Al Mehwar Com. Inv. LLC AEJM	1,065,000	0.92
8.	Std Noms/BNYM/Gothic HSP Corporation	953,068	0.82
9.	Std/Noms/BNYM Gothic JBD LLC	920,536	0.79
10.	SCGN/Enterprise Life Ass. Co Policy Holders	866,352	0.75
11.	Std/Noms/BNYM/Gothic ERP LLC	613,965	0.53
12.	SCGN/Databank Balanced Fund Limited	613,624	0.53
13.	SCGN/SSB and Trust as Cust for Russell Trust	606,100	0.52
14.	Stahl Christoph Michael Robert C S	330,954	0.28
15.	HFCN/EDC Ghana Balanced Fund Limited	330,006	0.28
16.	Asare James Kwadwo	300,000	0.26
17.	ZBGC/CEDAR Provident Fund ICAM	299,930	0.26
18.	Std/Noms/BNYM/GHI Holdings Mauritius	295,900	0.25
19.	Ofori Daniel	288,165	0.25
20.	CM Fund Limited	211,087	0.18
		-----	-----
		94,307,859	81.15
Others		21,899,429	18.85
		-----	-----
		116,207,288	100.00
		=====	=====

Category of holdings	Number of shareholders	Holding	Percentage holding
1 – 1000	3,279	967,255	0.83
1001 – 5000	1,036	2,314,289	1.99
5001 – 10000	274	1,733,090	1.49
10001 +	720	111,192,654	95.68
TOTAL	5,309	116,207,288	100.00