FLOUR MILLS OF NIGERIA PLC RECEIVES APPROVAL FOR
THE ACQUISITION OF MAJORITY STAKE IN HONEYWELL FLOUR MILLS PLC

...the transaction will create a strong National Champion for Nigeria's Food Industry

April 29, 2022

Lagos, Nigeria - Flour Mills of Nigeria Plc. ("FMN") has obtained all requisite regulatory approvals to acquire a 71.69% stake in Honeywell Flour Mills Plc. ("HFMP"), formerly a portfolio company of Honeywell Group and a 5.06% stake in HFMP held by First Bank of Nigeria Limited ("FirstBank") and can confirm the transaction has now been consummated by the parties.

The acquisition has been approved by all relevant regulators, namely the Federal Competition and Consumer Protection Commission ("FCCPC"); Nigerian Exchange Limited ("NGX"); and the Securities and Exchange Commission of Nigeria ("SEC").

An announcement was made on November 22, 2021, regarding their agreement to the transaction which would bring together two businesses with shared goals to create a more resilient national champion in the Nigerian foods industry.

This acquisition enables FMN to extend its reach across Nigeria, provide enhanced manufacturing capacity and create synergies to deliver improved products to consumers. At a total enterprise value of ₦80 billion, Honeywell Group disposed a 71.69% stake in HFMP to FMN.

Given FMN's parallel negotiation for both stakes, culminating in the agreements being executed, the transaction was concluded at ₦4.20 being the final equity price per share.

Mr. Boye Olusanya, Group Managing Director, FMN stated, *"We are delighted that approvals have been received and we are all set to begin execution of this landmark transaction that would positively impact Nigeria's food security architecture and overall competitiveness. We commend and thank all regulatory and approving bodies – FCCPC, SEC and NGX, for supporting this historic vision."*

He further noted, *"Our combined brands and businesses will mean an expansive scale of food production for both Nigeria and Africa. Together, Flour Mills of Nigeria and Honeywell Flour Mills will be able to achieve rapid growth while maintaining high-quality products serving the evolving needs of our consumers. The acquisition will further serve as a catalyst for an even stronger stream of innovation that is focused on local content offerings, enabling our customers across the nation to seamlessly benefit from improved access to a wider product range and a robust pan-Nigerian distribution network."*

FMN: Feeding the Nation, Everyday

Nigeria, and Africa as a whole, will benefit from the Group's renewed focus on developing agricultural value chains and backward integration imperative. This focus is further heightened by unfolding global events, and we are responding, among other initiatives, with the set-up of regional expansion platforms, ultimately geared towards improving food security and employment opportunities across Nigeria.

About Flour Mills of Nigeria Plc.

Flour Mills of Nigeria is recognized as one of Nigeria's leading Food and Agro-allied groups. FMN is devoted to feeding the nation while actively investing in attaining Nigeria's food self-sufficiency goals. Since 1960, through its iconic Golden Penny brand of flour, pasta, semolina, sugar, starch, oil, spreads and breakfast cereal, it has continued to build a diversified portfolio of accessible and wholesome food products, a robust Pan Nigerian distribution network and investments that enhance the lives of Nigerians today and in the future.

The group operates 17 modern and best in class manufacturing facilities across 12 states with production capabilities across grain milling, edible oil and sugar refining, agro inputs and animal nutrition and proteins. FMN's logistics and distribution, packaging and port operation are also among Nigeria's best in class.

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COMPANY SECRETARY / DIRECTOR, LEGAL SERVICES