

PRESS RELEASE

Honeywell Flour Mills Releases its 2022 First Quarter Unaudited Financial Statements

- *Positive outlook despite challenging market conditions*

Lagos, Nigeria: July 29, 2022. Honeywell Flour Mills Plc. (HFMP), a leading foods manufacturer in Nigeria, today announced financial figures for the quarter that ended June 30, 2022. The company, which became a member of Flour Mills of Nigeria Group on the 12th of May 2022 after the successful completion of the acquisition transaction continues to take pragmatic steps towards building a more sustainable brand.

Financial Results Summary

1. Revenue of N40.6 billion, up by 23% compared to N33.0 billion recorded in the corresponding quarter of 2022
2. N2.4 billion loss for the period compared to a profit of N150m in the corresponding quarter of 2022

The quarter reflects the impact of the unprecedented socio-economic environment and global inflationary strains. These market disruptions led to incessant increases in input costs, particularly of wheat and diesel which pushed up prices of the company's products relative to locally produced substitutes. HFMP is expected to be earnings and margin accretive during the latter part of this year.

Following the company's acquisition by FMN, Nigeria's leading producer of quality products and owner of the iconic brand 'Golden Penny', HFMP is now poised to become a robust Nigerian food processing entity that can better leverage financial, technical, and human resources as part of Nigeria's largest foods company.

Speaking on the plans in place by the company to ensure that the HFMP continues to maintain market relevance, Nassib Raffoul, the Managing Director of the company commented:

"We are confident that our performance in the second quarter of the year will record significant improvement. We are deploying measures to cushion the effect of the exacerbating input prices while also strengthening and expanding our business portfolio by accessing new markets and driving margin improvement through operational efficiency. We will continue to execute our five core strategic pillars through three (3) key drivers of growth, efficiency, and capability. And with consumer behaviour evolving faster than ever, we are adapting to this new reality by executing with speed to meet the needs of our multiple stakeholders. We are committed to investing in our capabilities, know-how, and talents to continue to create value".

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Honeywell...does it well



HFMP is committed to innovating across all its value chains for the purpose of developing quality, healthy, and nutritious food products to Nigeria's growing population and enhance manufacturing and supply chain efficiencies.

About Honeywell Flour Mills Plc

Honeywell Flour Mills Plc. is the preferred producer of high-quality bread flour and other wheat-based food products. Its range of popular brands include Honeywell Superfine Flour, Honeywell Bakers' Delight Flour, Honeywell Semolina, Honeywell Whole Wheat Meal and variants of Honeywell Pasta and Honeywell Instant Noodles.

For more information, please visit the website at www.honeywellflour.com or contact investor relations at:

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