



Flour Mills of Nigeria Plc RC 2343

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FLOUR MILLS OF NIGERIA PLC RELEASES Q3 2022/23 FINANCIALS WITH N1.1 TRILLION TURNOVER.

Lagos, Nigeria; January 30, 2023.

Flour Mills of Nigeria Plc (FMN), Nigeria's leading food and agro-allied business and owners of the iconic brand, 'Golden Penny, today announced the release of its unaudited nine months ("9M") financial results. The 9M '23 results show remarkable revenue growth. Continuous product innovation and effective route-to-market strategies were largely responsible for the continued solid financial performance across the Group's core business segments with the Honeywell integration well underway and performance in line with integration plan.

Key Highlights

- Flour Mills of Nigeria Plc in 9M' 23 achieved over a trillion Naira (N1,114 trillion) revenue for the first time, demonstrating sustained momentum across all business segments compared to previous year (N825 billion).
- Overall revenue grew by 35% across all business segments, with Food, Agro-Allied and Sugar all growing between 34 to 39% respectively.
- Gross profit reached N103 billion in 9M' 23, up 29% compared to 9M' 22 and 33% quarter on quarter.
- Operating Profit grew by 28% in 9M' 23, with a 32% growth quarter on quarter.
- Total results were affected by the integration of Honeywell Flour Mills Plc (HFMP) integration, which has been successfully ongoing since the takeover on May 12th, 2022. As anticipated, the acquisition involved some initial integration costs and Honeywell posted a loss of N10.3 billion by at the end of December 2022. However, Honeywell is well on track to realize and exceed the anticipated benefits from the acquisition.
- The profit performance for FMN excluding HFMP was in line with last year, during a somewhat turbulent quarter 3 showing the strength of the overall underlying business model.

Operational Review

The Group achieved a Trillion Naira in revenue for Q3'23, showcasing solid growth in Gross and Operating Profit.

CHAIRMAN: J. G. Coumantaros (U.S.A), **GROUP MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER:** O. O. Olusanya
DIRECTORS: (Vice Chairman) P. M. Gbededo, Alhaji M. K. Ahmad, Mrs. J. Anammah, Prof. J. Gana, CON, A.O. Garate (Spanish),
Alhaji R. M. Gwarzo, OON, I.N. Katsaounis (Greek), T. Mazarakis (Greek), F. O. Phillips, Alhaji Y. O. A. Saliu, Dr. (Mrs.) S. H. Suleiman, F.R.A. Williams, Jnr.

Founder: G.S. Coumantaros (1922 - 2016)

FMN: Feeding the Nation, Everyday

FMN's Food business recorded 36% top-line growth largely due to continued focus on retail expansion and proactive pricing to cushion steep input costs.

Revenue in our Agro-Allied business grew by 39% driven by robust performance across its categories. The Fertilizer business recorded a 64% growth in revenues and 82% profit growth driven by the commissioning of new fertilizer blending plant in May 2022. The oils and fat business grew by 54% driven by increased volumes due to intensified milling activities while the animal feeds business reported 20% topline growth owing to increased product availability. Golden Sugar recorded an impressive 34% revenue growth; this was achieved due to increased volumes, various customer engagement and popularity of our locally produced brown sugar.

Commenting on the Q3 Financials, Boye Olusanya, the Group Managing Director, said:

“The Q3 earnings trend is a clear demonstration of the Group’s commitment to carrying out its overall long-term strategy of maintaining growth and sustaining profitability by significantly investing in the development of local content through product innovation across our core value chains.

Also, as is established by the significant increase in revenue and growth from the Agro-allied category of the Group’s touchpoints, we are committed to achieving economies of scale in food production via crop-specific value chain by increasing productivity and ultimately driving the nation’s attainment of food self-sufficiency”.

- End -

About Flour Mills of Nigeria Plc

Incorporated in September 1960 and quoted on the Nigerian Stock Exchange since 1978, Flour Mills of Nigeria (FMN) Plc, owners of the iconic Golden Penny Food brand is one of Nigeria’s leading food and agro-allied companies. With a broad basket of food products and robust pan-Nigerian production, distribution, and supply chain network, FMN is a fully integrated and diversified food and agro-allied group.

FMN group strives in its purpose to “Feed the Nation, Everyday” through its five core food value chains: Grains, Sweeteners, Oils and Fats, Proteins, and Starches. FMN creates value along the entire food chain with its “farm-to-table” model by providing inputs and know-how to farmers, aggregating and sourcing crops and raw materials to supply its world-class processing facilities across Nigeria, and distributing its innovative food brands to its customers.

More information can be found at www.fmnplc.com

Follow FMN, on Facebook, Instagram, LinkedIn, Twitter and YouTube

A handwritten signature in black ink, appearing to read 'JOA', with several horizontal strokes underneath.

UMOLU, JOSEPH A. O.

COMPANY SECRETARY / DIRECTOR, LEGAL SERVICES