



FLOUR MILLS OF NIGERIA PLC POST STRONG Q1 2020/21 RESULTS; CONTINUES ON POSITIVE GROWTH TRAJECTORY BY INCREASING PROFIT AFTER TAX BY 17% TO N4.9 BILLION

Lagos, Nigeria; August 17, 2020.

Flour Mills of Nigeria Plc (referred to as “Flour Mills “or “FMN”), Nigeria’s leading integrated Food business and Agro-allied Group, owners of the iconic brand – ‘Golden Penny,’ today announced its Q1 results for the year 2020/21 showing solid and consistent growth, with Revenue increasing by 15% to N154. 6 billion and Profit After Tax increasing by 17% to N4.9 billion, primarily behind strong growth in its Agro-allied division and local value-added products plus effective cost control.

Key Highlights:

- The Group’s Earnings was N154.6 billion, compared to N134.7 billion in Q1 2020/21 (15% - YoY growth)
- The Group’s Operating Ratio was 4.5%, compared 5.0%. Lower operating ratio compared to the last previous two years.
- The Group’s Profit Before Tax was N6.4 billion, compared to N5.5 billion in Q1 2020/21 (16% - YoY growth)
- The Group’s Profit After Tax was N4.9 billion, compared to N4.2 billion in Q1 2020/21 (17%- YoY growth)

Operational Review

The result for the first quarter reveals a remarkable performance as the Group starts the year strong and builds on the growth trends recorded in the Q4 2019/20 financial year.

In line with strategy, our business remained resilient and continued to deliver value for shareholders while focusing on organic growth across all segments with continuous focus on our Agro-allied division and local value add with consumer-centric programs.

Our Agro-allied business recorded solid improvements as past investments and increased focus on local inputs through both in-grower and out-grower programs yield desired results. Profit Before Tax was N2.1 billion, compared to a loss of N0.2 billion in the previous year.

Commenting on the result, Paul Gbededo, the Group Managing Director, said:

“The year 2020/21 is unique in many respects, as the terrible outbreak of COVID-19 continues to affect the world in unprecedented ways. Recognising how important our business model is to the food value chain in Nigeria, we are honoured to have been able to take an active role in the fight against this virus, by ensuring our operations remained unhindered to produce food for Nigerians at such a trying time.”

“While the first quarter of the financial year is perhaps one of the most complex periods facing businesses in Nigeria and across the globe, I am happy that our business has continued to explore newer opportunities to create value and wealth for Shareholders.

Our Earnings and Profit After Tax figures both show impressive growth following strategy and expected projections. As we look into the future, we are positive that despite unprecedented prevailing uncertainties for businesses we will remain focused on increasing operational efficiency with accelerated plans for cost optimisations across the Group to ensure profitability in the new operating environment during and post COVID-19,” he added.

- 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

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