



**FLOUR MILLS OF NIGERIA PLC**

**CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS**

**30TH JUNE, 2023**

FLOUR MILLS OF NIGERIA PLC

UNAUDITED FINANCIAL RESULTS FOR THREE MONTHS ENDED 30 JUNE 2023

The Directors of Flour Mills of Nigeria Plc (FMN) are pleased to announce the unaudited financial results of the Group and the Company for the three months ended 30 June 2023 as follows:

	Group		Company	
	Three months ended 30/06/2023 N'000	30/06/2022 N'000	Three months ended 30/06/2023 N'000	30/06/2022 N'000
Revenue	456,376,259	339,601,314	276,526,631	193,235,158
Cost of sales	(406,081,101)	(306,352,907)	(250,092,787)	(173,720,630)
Gross profits	50,295,158	33,248,407	26,433,844	19,514,528
Selling and distribution expenses	(5,968,575)	(4,609,201)	(3,999,680)	(3,464,777)
Administrative expenses (Impairment loss)/write-back on trade and intercompany receivables	(11,312,955)	(10,073,532)	(6,804,356)	(6,411,406)
Net operating losses	(25,778,030)	(2,621,430)	(21,678,775)	(957,253)
<b>Operating profit/(loss)</b>	<b>7,119,964</b>	<b>15,285,134</b>	<b>(5,705,706)</b>	<b>8,861,185</b>
Investment income	168,362	193,283	1,274,452	1,220,849
Finance costs	(16,625,346)	(8,150,042)	(9,674,356)	(4,578,083)
<b>(Loss)/profit before tax</b>	<b>(9,337,020)</b>	<b>7,328,375</b>	<b>(14,105,609)</b>	<b>5,503,950</b>
Tax expense	-	(1,832,460)	-	(1,376,263)
<b>(Loss)/profit for the period</b>	<b>(9,337,020)</b>	<b>5,495,915</b>	<b>(14,105,609)</b>	<b>4,127,688</b>
Cashflow hedge	-	421,882	-	469,785
Related tax	-	(105,471)	-	(117,446)
<b>Total comprehensive (loss)/income</b>	<b>(9,337,020)</b>	<b>5,812,326</b>	<b>(14,105,609)</b>	<b>4,480,027</b>
(Loss)/profit attributable to:				
Owners of the Company	(10,203,056)	5,631,853	(14,105,609)	4,127,689
Non-controlling interests	866,037	(135,938)	-	-
	<b>(9,337,020)</b>	<b>5,495,915</b>	<b>(14,105,609)</b>	<b>4,127,689</b>
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(10,203,056)	5,948,264	(14,105,609)	4,480,027
Non-controlling interests	866,037	(135,938)	-	-
	<b>(9,337,020)</b>	<b>5,812,326</b>	<b>(14,105,609)</b>	<b>4,480,027</b>
(Loss)/earnings per share - Basic (kobo)	(249)	137	(344)	101
(Loss)/earnings per share - Diluted (kobo)	(249)	137	(344)	101

**Explanatory Notes:**

FMN Plc has experienced continued strong revenue growth with the gross profit growing ahead of revenue. The operating profit dropped significantly due to foreign exchange loss of N22.5bn in the last quarter leading to loss before tax of N9.3bn. Without the devaluation of the exchange rate, the operating profit would have increased by 52%. Management remains optimistic that with the current government monetary policies at stabilising the FOREX market, and management continues effort in sales and marketing activities geared towards boosting our top line while keeping cost under control, we expect to see significant improvement in profit generation in the coming period.

**Security Trading Policy**

Flour Mills of Nigeria Plc has in place a Code of Conduct which aligns with section 14 of the Amendment to the Listing Rules of the Nigerian Exchange Limited. During the period under review, the Directors and employees of the company complied with the Nigerian Exchange Limited Rules relating to securities transactions and the provisions of the FMN Code on Insider Trading.

BY ORDER OF THE BOARD



Joseph Odion A. Umolu  
Company Secretary / Director, Legal Services  
FRC/2013/NBA/0000003687  
28 August 2023

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FLOUR MILLS OF NIGERIA PLC

CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE MONTHS ENDED 30 JUNE 2023

	Note	Group		Company	
		3 months ended 30/06/2023 N'000	3 months ended 30/06/2022 N'000	3 months ended 30/06/2023 N'000	3 months ended 30/06/2022 N'000
Revenue	5	456,376,259	339,601,314	276,526,631	193,235,158
Cost of sales	6	(406,081,101)	(306,352,907)	(250,092,787)	(173,720,630)
<b>Gross profit</b>		<b>50,295,158</b>	<b>33,248,407</b>	<b>26,433,844</b>	<b>19,514,528</b>
Selling and distribution expenses	7	(5,968,575)	(4,609,201)	(3,999,680)	(3,464,777)
Administrative expenses	8	(11,312,955)	(10,073,532)	(6,804,356)	(6,411,406)
(Impairment loss)/write-back on trade and intercompany receivables		(115,634)	(659,110)	343,261	180,093
Net operating losses	9	(25,778,030)	(2,621,430)	(21,678,775)	(957,253)
<b>Operating profit/(loss)</b>		<b>7,119,964</b>	<b>15,285,134</b>	<b>(5,705,706)</b>	<b>8,861,185</b>
Finance income		168,362	193,283	1,274,452	1,220,849
Finance costs		(16,625,346)	(8,150,042)	(9,674,356)	(4,578,083)
<b>(Loss)/profit before tax</b>		<b>(9,337,020)</b>	<b>7,328,375</b>	<b>(14,105,609)</b>	<b>5,503,950</b>
Income tax expense	10	-	(1,832,460)	-	(1,376,263)
<b>(Loss)/profit for the period</b>		<b>(9,337,020)</b>	<b>5,495,915</b>	<b>(14,105,609)</b>	<b>4,127,688</b>
Cashflow hedge		-	421,882	-	469,785
Related tax		-	(105,471)	-	(117,446)
<b>Total comprehensive (loss)/income</b>		<b>(9,337,020)</b>	<b>5,812,326</b>	<b>(14,105,609)</b>	<b>4,480,027</b>
(Loss)/profit attributable to:					
Owners of the Company		(10,203,056)	5,631,853	(14,105,609)	4,127,688
Non-controlling interests		866,037	(135,938)	-	-
		<b>(9,337,020)</b>	<b>5,495,915</b>	<b>(14,105,609)</b>	<b>4,127,688</b>
Total comprehensive (loss)/income attributable to:					
Owners of the Company		(10,203,056)	5,948,264	(14,105,609)	4,480,027
Non-controlling interests		866,037	(135,938)	-	-
		<b>(9,337,020)</b>	<b>5,812,326</b>	<b>(14,105,609)</b>	<b>4,480,027</b>
(Loss)/earnings per share - Basic (kobo)	11	(249)	137	(344)	101
(Loss)/earnings per share - Diluted (kobo)		(249)	137	(344)	101

CONDENSED CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2023

	Note	Group		Company	
		30/06/2023 N'000	31/03/2023 N'000	30/06/2023 N'000	31/03/2023 N'000
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	13	342,321,966	340,804,379	122,726,132	122,019,533
Right of use assets		15,323,924	15,501,196	2,813,493	2,709,056
Biological assets	14	49,351	54,498	-	-
Intangible assets	15	13,664,139	13,705,232	47,433	61,775
Investment properties	16	1,321,820	1,322,333	50,166	50,680
Goodwill	12	4,148,022	4,148,022	1,876,816	1,876,816
Investment in subsidiaries	17	-	-	85,164,727	85,164,727
Other investments	18	47,260	47,260	47,260	47,260
Deferred tax assets		11,929,031	11,484,351	-	-
Long term loans receivable	19	45,612	43,534	27,355,651	20,853,541
<b>Total non-current assets</b>		<b>388,851,125</b>	<b>387,110,805</b>	<b>240,081,677</b>	<b>232,783,388</b>
<b>Current assets</b>					
Inventories	20	293,117,248	336,374,640	119,236,050	151,925,626
Biological assets	14	1,846,085	666,274	-	-
Trade and other receivables	21	46,228,226	47,469,558	111,343,345	97,817,112
Prepayment & deposit for import	22	299,982,670	228,073,084	225,651,172	169,592,143
Cash and cash equivalents	23	129,519,385	97,702,029	81,584,145	67,167,053
<b>Total current assets</b>		<b>770,693,613</b>	<b>710,285,585</b>	<b>537,814,712</b>	<b>486,501,934</b>
<b>Total assets</b>		<b>1,159,544,738</b>	<b>1,097,396,390</b>	<b>777,896,389</b>	<b>719,285,322</b>
<b>Equity and liabilities</b>					
<b>Capital and reserves</b>					
Share capital		2,050,197	2,050,197	2,050,197	2,050,197
Share premium		75,377,444	75,377,444	75,377,444	75,377,444
Fair value reserve		(88,196)	(88,196)	(88,196)	(88,196)
Hedging reserve		-	-	-	-
Retained earnings		122,464,885	132,667,941	90,375,473	104,481,082
Equity attributable to owners of the Company		199,804,330	210,007,386	167,714,918	181,820,527
Non-controlling interest		16,083,539	15,217,502	-	-
<b>Total Equity</b>		<b>215,887,868</b>	<b>225,224,888</b>	<b>167,714,918</b>	<b>181,820,527</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Borrowings	25	218,686,980	210,240,706	111,319,453	64,608,656
Lease liabilities		23,071,267	15,722,575	592,512	427,938
Retirement benefit obligation		11,912,221	11,205,123	8,777,049	8,418,371
Long service award		4,253,124	4,060,137	3,177,730	2,529,289
Deferred taxation		19,361,334	19,489,454	14,582,143	14,582,143
Deferred income		29,956,202	27,362,183	2,265,061	2,998,181
<b>Total non-current liabilities</b>		<b>307,241,127</b>	<b>288,080,178</b>	<b>140,713,948</b>	<b>93,564,578</b>
<b>Current liabilities</b>					
Bank Overdraft	23	8,750,800	32,806,764	8,246,787	20,191,541
Trade and other payables	24	388,977,163	320,649,144	292,459,392	244,339,315
Borrowings	25	155,682,189	139,450,591	132,502,495	127,557,304
Lease liabilities		426,693	1,952,565	11,499	-
Current tax payable		30,594,413	28,862,614	18,601,857	18,242,070
Deferred income		9,887,901	9,153,955	1,163,944	1,224,144
Derivative liability		2,942,620	2,942,620	2,088,559	2,088,559
Dividend payable		853,057	516,502	516,502	516,502
Customer deposits		38,300,907	47,756,569	13,876,488	29,740,782
<b>Total current liabilities</b>		<b>636,415,743</b>	<b>584,091,324</b>	<b>469,467,522</b>	<b>443,900,217</b>
<b>Total liabilities</b>		<b>943,656,869</b>	<b>872,171,502</b>	<b>610,181,471</b>	<b>537,464,795</b>
<b>Total equity and liabilities</b>		<b>1,159,544,738</b>	<b>1,097,396,390</b>	<b>777,896,389</b>	<b>719,285,322</b>

The financial statements were approved by the board of directors and authorised for issue on 28 August, 2023. They were signed on its behalf by:

  
**Omoboyede O. Olusanya**  
 Group Managing Director  
 FRC/2017/IODN/00000017634

  
**Anders Kristiansson**  
 Group Chief Finance Officer  
 FRC/2014/ANAN/00000009819

**FLOUR MILLS OF NIGERIA PLC**

**CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY  
FOR THE THREE MONTHS ENDED 30 JUNE 2023**

**Group**

	Share Capital	Share premium	Fair value reserve	Hedging reserve	Retained Earnings	Equity attributable to owner of the company	Non controlling interest	Total Equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Balance at 1 April 2022</b>	2,050,197	75,377,444	(101,456)	(1,281,434)	111,101,724	187,146,475	8,758,216	195,904,691
Profit for the period	-	-	-	-	5,631,853	5,631,853	(135,938)	5,495,915
Other comprehensive income	-	-	-	421,882	-	421,882	-	421,882
Writeback of unclaimed dividends	-	-	-	-	24,617	24,617	-	24,617
<b>Balance at 30 June 2022</b>	2,050,197	75,377,444	(101,456)	(859,552)	116,758,194	193,224,827	8,622,278	201,847,105

**Group**

	Share Capital	Share premium	Fair value reserve	Hedging reserve	Retained Earnings	Equity attributable to owner of the company	Non controlling interest	Total Equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Balance at 1 April 2023</b>	2,050,197	75,377,444	(88,196)	-	132,667,941	210,007,386	15,217,502	225,224,888
Profit for the period	-	-	-	-	(10,203,056)	(10,203,056)	866,037	(9,337,020)
Other comprehensive income	-	-	-	-	-	-	-	-
Writeback of unclaimed dividends	-	-	-	-	-	-	-	-
<b>Balance at 30 June 2023</b>	2,050,197	75,377,444	(88,196)	-	122,464,885	199,804,330	16,083,539	215,887,868

**Company**

	Share Capital	Share premium	Fair value reserve	Hedging reserve	Retained Earnings	Total Equity
	N'000	N'000	N'000	N'000	N'000	N'000
<b>Balance at 1 April 2022</b>	2,050,197	75,377,444	(101,456)	(1,281,434)	98,619,096	174,663,847
Profit for the period	-	-	-	-	4,127,688	4,127,688
Other comprehensive income	-	-	-	-	-	-
Writeback of unclaimed dividends	-	-	-	-	24,617	24,617
<b>Balance at 30 June 2022</b>	2,050,197	75,377,444	(101,456)	(1,281,434)	102,771,401	178,816,152

**Company**

	Share Capital	Share premium	Fair value reserve	Hedging reserve	Retained Earnings	Total Equity
	N'000	N'000	N'000	N'000	N'000	N'000
<b>Balance at 1 April 2023</b>	2,050,197	75,377,444	(88,196)	-	104,481,082	181,820,527
Profit for the period	-	-	-	-	(14,105,609)	(14,105,609)
Other comprehensive income	-	-	-	-	-	-
Write back of unclaimed dividends	-	-	-	-	-	-
<b>Balance at 30 June 2023</b>	2,050,197	75,377,444	(88,196)	-	90,375,473	167,714,918

FLOUR MILLS OF NIGERIA PLC

CONSOLIDATED AND SEPARATE STATEMENT OF CASHFLOWS  
FOR THE THREE MONTHS ENDED 30 JUNE 2023

	Group		Company	
	30/06/2023 N'000	30/06/2022 N'000	30/06/2023 N'000	30/06/2022 N'000
<b>Cash flows (used in)/from operating activities</b>				
(Loss)/profit before tax	(9,337,020)	7,328,375	(14,105,609)	5,503,950
Depreciation and amortization	8,646,541	6,469,372	3,872,667	3,340,839
Finance costs	16,625,346	8,150,042	9,674,356	4,578,083
Finance income	(168,362)	(193,283)	(1,274,452)	(1,220,849)
Loss/(profit) on disposal of fixed assets	30,154	(11,959)	41,099	(5,388)
<b>Profit/(loss) before changes in working capital</b>	<b>15,796,659</b>	<b>21,742,548</b>	<b>(1,791,940)</b>	<b>12,196,635</b>
<b>Changes in Working Capital</b>				
(Increase)/ Decrease in Inventory	43,257,392	(82,568,828)	32,689,576	3,909,743
(Increase)/ Decrease in trade and other receivables	1,241,332	3,105,272	(13,526,233)	(13,711,150)
(Increase)/ Decrease in Biological assets	(1,174,664)	(935,762)	-	-
(Increase)/ Decrease in Prepayments and deposit for imports	(71,909,586)	(6,692,251)	(56,059,029)	3,997,323
Increase/ (Decrease) in Deferred tax assets	(444,680)	43,671	-	-
(Increase)/ Decrease in Derivative assets	-	(962,627)	-	(962,622)
Increase/ (Decrease) in Trade and other payable	68,328,019	21,609,673	48,120,077	(44,704,472)
Increase/ (Decrease) in Customers' deposit	(9,455,662)	10,188,012	(15,864,294)	1,698,137
Increase/ (Decrease) in Dividend payable	336,555	231,922	-	(32,212)
Increase/ (Decrease) in Tax Payable	1,731,799	2,247,660	359,787	1,032,265
Increase/ (Decrease) in Lease liabilities	5,822,820	595,206	176,073	(40,475)
Increase/ (Decrease) in Retirement taxation	(128,120)	5,585,833	-	343,996
Increase/ (Decrease) in Retirement benefit obligations	707,098	804,093	358,678	387,704
Increase/ (Decrease) in Long service award	192,987	223,110	648,441	175,999
Increase/ (Decrease) in Derivative Liabilities	-	(3,268)	-	(3,268)
Increase/ (Decrease) in Deferred revenue	3,327,965	2,269,456	(793,320)	(601,485)
<b>Net changes in working capital</b>	<b>41,833,254</b>	<b>(44,258,827)</b>	<b>(3,890,243)</b>	<b>(48,510,517)</b>
<b>Cash Flow from/(used in) operating activities</b>	<b>57,629,913</b>	<b>(22,516,279)</b>	<b>(5,682,183)</b>	<b>(36,313,882)</b>
Tax credit utilized	-	-	-	-
Tax paid	-	-	-	-
<b>Net Cash Flow from operating activities</b>	<b>57,629,913</b>	<b>(22,516,279)</b>	<b>(5,682,183)</b>	<b>(36,313,882)</b>
<b>Cash flows from Investing activities</b>				
Acquisition of property, plant and equipment	(11,382,233)	(14,770,779)	(4,534,382)	(10,648,957)
Acquisition of intangible assets	-	(331,074)	-	-
Acquisition of subsidiary - Honeywell Flour Mills Plc	-	(14,100,768)	-	-
Purchase of biological assets	(453,510)	(9,500)	-	-
Long term loans receivable	(2,078)	(2,564,359)	(6,502,110)	39,902,082
Finance income	168,362	193,283	1,274,452	1,220,849
<b>Net Cash flow (used in )/from investing activities</b>	<b>(11,669,459)</b>	<b>(31,583,197)</b>	<b>(9,762,039)</b>	<b>30,473,973</b>
<b>Financing activities</b>				
Proceeds from borrowings	26,538,211	62,877,978	51,480,424	14,312,440
Finance costs paid	(16,625,346)	(8,150,042)	(9,674,356)	(4,578,083)
<b>Cash flow from Financing activities</b>	<b>9,912,865</b>	<b>54,727,936</b>	<b>41,806,068</b>	<b>9,734,356</b>
<b>Net Cash Flow</b>	<b>55,873,319</b>	<b>628,460</b>	<b>26,361,846</b>	<b>3,894,448</b>
<b>Cash and cash equivalents at beginning of Period/Year</b>	<b>64,895,265</b>	<b>21,683,588</b>	<b>46,975,512</b>	<b>15,710,878</b>
<b>Cash and cash equivalents at end of the period</b>	<b>120,768,584</b>	<b>22,312,048</b>	<b>73,337,358</b>	<b>19,605,326</b>
<b>Closing</b>				
Bank deposits balances and cash	129,519,385	50,136,419	81,584,145	42,819,911
Bank overdrafts	(8,750,800)	(27,824,371)	(8,246,787)	(23,214,585)
	<b>120,768,584</b>	<b>22,312,048</b>	<b>73,337,359</b>	<b>19,605,326</b>
<b>Opening</b>				
Bank deposits balances and cash	97,702,029	31,621,421	67,167,053	20,273,882
Bank overdrafts	(32,806,764)	(9,937,833)	(20,191,541)	(4,563,004)
	<b>64,895,265</b>	<b>21,683,588</b>	<b>46,975,512</b>	<b>15,710,878</b>

## FLOUR MILLS OF NIGERIA PLC

### NOTES TO THE CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 30 JUNE 2023

#### 1 Description of business

Flour Mills of Nigeria Plc was incorporated as a private limited Company on 29th September 1960 and was converted to a public liability Company in November 1978.

The Group's business is primarily divided into 4 business value chains which are;

##### **Food value chain**

Food business value chain involves flour milling, production of pasta and noodles.

##### **Sugar value chain**

Sugar business value chain involves cultivating, processing, refining and selling of sugar.

##### **Agro-Allied value chain**

Agro-Allied business value chain involves livestock husbandry, production of livestock feeds, sale of fertilizer, edible oil, farming and other agro-allied activities.

##### **Support services**

Support business value chain involves the manufacturing and sales of laminated woven polypropylene sacks and flexible packaging materials, operation of terminals A and B at Apapa Port, customs clearing, forwarding agents, shipping agents and logistics, haulage and real estate.

#### 2 Reporting entity

The condensed consolidated and separate interim financial report of the Company as at and for the Three months ended 30th June 2023 comprises the Company alone (referred to as the 'Company') and the Company and its subsidiaries (together referred to as the 'Group').

#### 3 Basis of preparation

##### (a) Statement of compliance

This condensed consolidated and separate interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last consolidated financial statements as at and for the year ended 31 March 2023.

This condensed consolidated and separate interim financial report does not include all of the information required for full annual financial statements prepared in accordance with International Financial Reporting Standard.

##### (b) Judgements and estimates

Preparing the interim financial report requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated and separate interim financial report, significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2023.

#### 4 Significant accounting policies

The accounting policies applied by the Group in this condensed consolidated and separate interim financial report are the same as those applied by the Group in its consolidated statements as at and for the year ended 31 March 2023.

NOTES TO THE CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS  
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5 Operating segments

Information about reportable segments

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

Group

	Segment revenue		Profit before tax	
	Three months ended		Three months ended	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	N'000	N'000	N'000	N'000
Food	303,654,472	213,166,097	(11,471,103)	4,569,472
Agro Allied	79,864,286	65,652,068	4,608,519	2,258,266
Sugar	66,492,970	55,021,550	(317,967)	1,666,269
Support services	6,364,531	5,761,599	(2,156,468)	(1,165,632)
<b>Total</b>	<b>456,376,259</b>	<b>339,601,314</b>	<b>(9,337,020)</b>	<b>7,328,375</b>

Company

	Segment revenue		Profit before tax	
	Three months ended		Three months ended	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	N'000	N'000	N'000	N'000
Food	267,017,106	184,237,834	(12,250,035)	5,324,615
Support services	9,509,525	8,997,324	(1,855,574)	179,335
<b>Total</b>	<b>276,526,631</b>	<b>193,235,158</b>	<b>(14,105,609)</b>	<b>5,503,950</b>

Segment revenue reported above represents revenue generated from external customers.

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of share of profits of associates, IFRS adjustment and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

6 Cost of sales

	Group		Company	
	Three months ended		Three months ended	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	N'000	N'000	N'000	N'000
Material costs	371,685,798	276,765,273	232,380,705	157,818,743
Direct staff costs	8,173,774	7,062,004	5,015,836	4,795,163
Depreciation	7,545,307	5,507,857	3,207,359	2,760,652
Power cost	9,682,905	9,535,897	4,875,242	4,460,602
Rent and rates	98,773	70,741	909,447	306,188
Repairs and maintenance	5,275,197	4,634,363	2,791,788	2,637,229
Insurance	443,297	393,547	173,875	214,732
Other expenses	3,176,051	2,383,226	738,534	727,319
	<b>406,081,101</b>	<b>306,352,907</b>	<b>250,092,787</b>	<b>173,720,630</b>

**FLOUR MILLS OF NIGERIA PLC**

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**7 Selling and distribution**

	<b>Group</b>		<b>Company</b>	
	<b>Three months ended</b>		<b>Three months ended</b>	
	<b>30/06/2023</b>	<b>30/06/2022</b>	<b>30/06/2023</b>	<b>30/06/2022</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Salaries and related staff costs	1,719,387	1,452,061	1,163,294	1,096,053
Selling expenses	2,905,952	2,345,190	1,645,360	1,585,672
Advertisement	1,343,237	811,950	1,191,026	783,052
	<u>5,968,575</u>	<u>4,609,201</u>	<u>3,999,680</u>	<u>3,464,777</u>

**8 Administrative expense**

	<b>Group</b>		<b>Company</b>	
	<b>Three months ended</b>		<b>Three months ended</b>	
	<b>30/06/2023</b>	<b>30/06/2022</b>	<b>30/06/2023</b>	<b>30/06/2022</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Audit fee	104,491	110,321	51,424	60,387
Bank charges	811,443	556,285	654,909	428,751
Computer related expenses	589,595	489,402	441,946	358,180
Depreciation and amortization	1,101,234	961,515	665,308	580,187
Insurance	119,330	165,832	24,233	27,812
Legal and professional fees	578,611	879,553	505,766	761,340
Local and overseas travel	184,659	177,385	154,808	139,339
Medical, canteen and welfare expenses	317,398	366,495	255,096	270,464
Motor vehicle expenses	106,120	101,125	59,393	56,118
General administrative expenses	1,592,726	1,091,742	17,151	60,281
Penalties, fines and non recoverable taxes	149,399	154,887	90,184	90,000
Power costs	187,473	142,038	77,968	68,586
Postage, telephone and cables	15,883	21,232	9,969	9,892
Printing and stationery	28,709	20,101	11,589	13,552
Rent and rates	57,878	85,319	29,258	52,191
Repairs and maintenance	322,306	339,397	95,431	169,114
Salaries, wages and other staff costs	4,734,029	4,196,083	3,495,238	3,189,809
Security services	134,660	127,325	18,561	19,868
Subscriptions and donations	177,010	87,495	146,126	55,537
	<u>11,312,955</u>	<u>10,073,532</u>	<u>6,804,356</u>	<u>6,411,406</u>

**9 Net operating gains and (losses)**

	<b>Group</b>		<b>Company</b>	
	<b>Three months ended</b>		<b>Three months ended</b>	
	<b>30/06/2023</b>	<b>30/06/2022</b>	<b>30/06/2023</b>	<b>30/06/2022</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Fee earned	752,999	241,016	(14)	133,889
Rent received	131,077	121,257	27,135	43,053
Insurance claims	115,981	71,418	5,633	10,500
Income on government grant	2,459,893	2,210,792	324,427	601,485
Sundry (loss)/income	(6,679,091)	(200,119)	(7,195,289)	2,017
(Loss)/ profit on disposal of fixed assets	(30,154)	11,959	(41,099)	5,388
Foreign exchange loss	(22,528,735)	(5,077,752)	(14,799,568)	(1,753,584)
	<u>(25,778,030)</u>	<u>(2,621,430)</u>	<u>(21,678,775)</u>	<u>(957,253)</u>

FLOUR MILLS OF NIGERIA PLC

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10	Tax	Group		Company	
		Three months ended		Three months ended	
		30/06/2023	30/06/2022	30/06/2023	30/06/2022
		N'000	N'000	N'000	N'000
	<b>Corporation tax:</b>				
	Income tax	-	1,070,580	-	942,252
	Tertiary education tax	-	101,960	-	89,738
	Police trust fund levy	-	366	-	275
	Capital Gains tax	-	-	-	-
		-	1,172,906	-	1,032,266
	<b>Deferred tax</b>	-	659,554	-	343,997
		-	<b>1,832,460</b>	-	<b>1,376,263</b>

The charge for taxation in these interim financial statements is based on the provisions of Companies Income Tax Act, CAP C21, LFN as amended to date.

Interim period income tax is accrued based on the following estimated average annual effective income tax rate:

	Group		Company	
	Three months ended		Three months ended	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
<b>Effective rate</b>	0%	25%	0%	25%

11	(Loss)/Earnings Per Share	Group		Company	
	<b>(Loss)/profit for the period attributable to equity holders</b>	<b>(10,203,056)</b>	<b>5,631,853</b>	<b>(14,105,609)</b>	<b>4,127,688</b>
	Number of ordinary shares in issue	4,100,394	4,100,394	4,100,394	4,100,394
	Basic (loss)/earning per share(kobo)	(249)	137	(344)	101

12	Goodwill	Group		Company	
		30/06/2023	31/03/2022	30/06/2023	31/03/2022
		N'000	N'000	N'000	N'000
	Goodwill	4,148,022	4,148,022	1,876,816	1,876,816
		4,148,022	4,148,022	1,876,816	1,876,816

FLOUR MILLS OF NIGERIA PLC

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Group

13 Property plant and equipment

	Land N '000	Building N '000	Plant and Machinery N '000	Furniture & Equipment N '000	Motor Vehicle N '000	Bearer Plant N '000	Beth Rehabilitation N '000	Capital Work In Progress N '000	Total N '000
<b>Cost</b>									
Opening balance as at 1 April 2023	24,348,729	94,385,164	340,695,255	12,726,200	24,303,968	4,639,203	776,102	43,127,292	545,001,913
Additions	237,000	76,600	2,058,145	189,819	18,600	333,183	27,950	8,440,935	11,382,233
Transfer	-	64,012	9,085,401	133,047	-	-	-	(9,282,459)	-
Reclassification	-	-	-	-	-	-	-	-	-
Disposal	-	-	(2,135,757)	-	(262,602)	-	-	-	(2,398,359)
Write off	-	-	(67,230)	-	(119)	-	-	(2,464)	(69,813)
Balance as at 30 June 2023	<u>24,585,729</u>	<u>94,525,776</u>	<u>349,635,814</u>	<u>13,049,066</u>	<u>24,059,847</u>	<u>4,972,386</u>	<u>804,052</u>	<u>42,283,304</u>	<u>553,915,974</u>
<b>Depreciation</b>									
Accumulated depreciation as at 1 April 2023	1,280,679	21,368,062	156,299,489	9,579,544	13,795,714	1,195,489	428,557	250,000	204,197,534
Charge for the period	-	900,563	5,684,435	309,446	710,007	312,963	9,793	-	7,927,207
Disposal	-	-	(308,555)	-	(222,178)	-	-	-	(530,734)
Balance as at 30 June 2023	<u>1,280,679</u>	<u>22,268,625</u>	<u>161,675,368</u>	<u>9,888,990</u>	<u>14,283,543</u>	<u>1,508,452</u>	<u>438,350</u>	<u>250,000</u>	<u>211,594,008</u>
<b>Carrying Amount</b>									
Balance as at 30 June 2023	<u>23,305,050</u>	<u>72,257,151</u>	<u>187,960,446</u>	<u>3,160,076</u>	<u>9,776,303</u>	<u>3,463,935</u>	<u>365,702</u>	<u>42,033,304</u>	<u>342,321,966</u>
Balance as at 31 March 2023	<u>23,068,050</u>	<u>73,017,102</u>	<u>184,395,766</u>	<u>3,146,656</u>	<u>10,508,254</u>	<u>3,443,714</u>	<u>347,545</u>	<u>42,877,292</u>	<u>340,804,379</u>

FLOUR MILLS OF NIGERIA PLC

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Company

13 Property plant and equipment

	Land N '000	Building N '000	Plant & Machinery N '000	Furniture & equipment N '000	Motor vehicles N '000	Capital work in progress N '000	Total N '000
<b>Cost</b>							
Opening balance as at 1 April 2023	4,401,121	31,523,118	161,670,552	8,837,574	17,993,420	26,698,655	251,124,440
Additions	237,000	-	1,641,197	189,765	-	2,466,418	4,534,380
Transfers	-	64,012	9,085,401	132,194	-	(9,281,607)	-
Disposals	-	-	-	-	(222,130)	-	(222,130)
Write off	-	-	(52,292)	-	-	(21,063)	(73,356)
Balance as at 30 June 2023	4,638,121	31,587,130	172,344,857	9,159,533	17,771,290	19,862,402	255,363,334
<b>Depreciation</b>							
Accumulated depreciation as at 1 April 2023	419,907	11,314,445	100,285,001	6,734,461	10,101,093	250,000	129,104,907
Charge	-	328,303	2,648,400	227,730	508,350	-	3,712,783
Disposals	-	-	-	-	(180,488)	-	(180,488)
Balance as at 30 June 2023	419,907	11,642,748	102,933,401	6,962,191	10,428,955	250,000	132,637,202
<b>Carrying Amount</b>							
Balance as at 30 June 2023	4,218,214	19,944,382	69,411,456	2,197,342	7,342,335	19,612,402	122,726,132
Balance as at 31 March 2023	3,981,214	20,208,673	61,385,551	2,103,113	7,892,327	26,448,655	122,019,533

FLOUR MILLS OF NIGERIA PLC

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14 Group

Biological assets

	Livestock N'000	Oil palm N'000	Cassava N'000	Sugar cane N'000	Total N'000
Balance at 1 April, 2023	54,498	74,092	87,416	504,766	720,772
Addition	5,240	-	19,163	429,107	453,510
Harvested during the year	(10,081)	-	-	(126,437)	(136,519)
Fair value gain/ (loss)	(306)	-	-	857,978	857,673
<b>Balance at 30 June, 2023</b>	<b>49,351</b>	<b>74,092</b>	<b>106,579</b>	<b>1,665,414</b>	<b>1,895,436</b>

Analysed into:	Jun-23 N'000	Mar-23 N'000
Current	1,846,085	666,274
Non-current	49,351	54,498
	<b>1,895,436</b>	<b>720,772</b>

FLOUR MILLS OF NIGERIA PLC

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15 Group

Intangible assets	Software N'000	Brand name N'000	Customer Relationship N'000	Total N'000
<b>Cost</b>				
Balance as at 1 April 2023	3,019,466	8,876,456	4,418,741	16,314,663
Additions	-	-	-	-
Disposals	(222,194)	-	-	(222,194)
<b>Balance as at 30 June 2023</b>	<b>2,797,272</b>	<b>8,876,456</b>	<b>4,418,741</b>	<b>16,092,469</b>
<b>Amortisation</b>				
Balance as at 1 April 2023	2,609,431	-	-	2,609,431
Charge for the year	-	-	-	-
Disposals	(181,101)	-	-	(181,101)
<b>Balance as at 30 June 2023</b>	<b>2,428,330</b>	<b>-</b>	<b>-</b>	<b>2,428,330</b>
<b>Net book value</b>				
Balance as at 30 June 2023	368,942	8,876,456	4,418,741	13,664,139
Balance as at 1 April 2023	410,035	8,876,456	4,418,741	13,705,232
<b>Company</b>				
<b>Cost</b>				
Balance as at 1 April 2023			2,166,507	2,166,507
Additions			-	-
Disposals			(248,499)	(248,499)
<b>Balance as at 30 June 2023</b>			<b>1,918,008</b>	<b>1,918,008</b>
<b>Amortisation</b>				
Balance as at 1 April 2023			2,104,732	2,104,732
Charge for the year			-	-
Disposals			(234,157)	(234,157)
<b>Balance as at 30 June 2023</b>			<b>1,870,575</b>	<b>1,870,575</b>
<b>Carrying Amount</b>				
Balance as at 30 June 2023			47,433	47,433
Balance as at 1 April 2023			61,775	61,775

**FLOUR MILLS OF NIGERIA PLC**

**NOTES TO THE CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS  
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**16 Investment Property**

**Group**

**N'000**

**Cost**

Balance as at 1 April 2023	2,193,252
Additions	-
Disposals	-

**Balance as at 30 June 2023** 2,193,252

**Amortisation**

Balance as at 1 April 2023	870,919
Charge for the year	513
Disposals	-

**Balance as at 30 June 2023** 871,432

**Carrying mount**

Balance as at 30 June 2023 1,321,820

Balance as at 1 April 2023 1,322,333

**Company**

**N'000**

**Cost**

Balance as at 1 April 2023	87,750
Additions	-
Disposals	-

**Balance as at 30 June 2023** 87,750

**Amortisation**

Balance as at 1 April 2023	37,070
Charge for the year	514
Disposals	-

**Balance as at 30 June 2023** 37,584

**Carrying Amount**

Balance as at 30 June 2023 50,166

Balance as at 1 April 2023 50,680

FLOUR MILLS OF NIGERIA PLC

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17 Investments in Subsidiaries	Group		Company	
	30/06/2023 N'000	31/03/2023 N'000	30/06/2023 N'000	31/03/2023 N'000
<b>Unquoted</b>				
Apapa Bulk Terminal Limited	-	-	50,000	50,000
FMN International Limited	-	-	1,114,900	1,114,900
Ecowise Horizon Investment Limited	-	-	1,000	1,000
Golden Penny Power Limited	-	-	1,000	1,000
Golden Fertilizer Company Limited	-	-	38,807,193	38,807,193
Golden Sugar Company Limited	-	-	43,817,193	43,817,193
Nigerian Eagles Flour Mills Limited	-	-	510,000	510,000
Crestview Towers Limited	-	-	10,000	10,000
	<u>-</u>	<u>-</u>	<u>84,311,286</u>	<u>84,311,286</u>
<b>Quoted</b>				
Northern Nigeria Flour Mills Plc	-	-	903,441	903,441
	<u>-</u>	<u>-</u>	<u>85,214,727</u>	<u>85,214,727</u>
Impairment	-	-	(50,000)	(50,000)
<b>Total</b>	<u>-</u>	<u>-</u>	<u>85,164,727</u>	<u>85,164,727</u>
<b>18 Other investments</b>				
<b>Quoted</b>				
Transnational Corporation Plc	127,500	127,500	127,500	127,500
Fair value loss	(80,240)	(80,240)	(80,240)	(80,240)
	<u>47,260</u>	<u>47,260</u>	<u>47,260</u>	<u>47,260</u>
<b>19 Long-term loans and receivables</b>				
Port Harcourt Flour Mills Limited	166,974	166,974	-	-
Golden Sugar Company Limited	-	-	3,786,404	12,836,775
Golden Fertilizer Company Limited	-	-	-	8,058,883
Honeywell Flour Mills Plc	-	-	24,711,972.31	1,100,609
Receivable from Atlantic Bulk Carriers Management Limited	45,612	43,534	-	-
Impairment of Long term receivables	(166,974)	(166,974)	(1,142,726)	(1,142,726)
	<u>45,612</u>	<u>43,534</u>	<u>27,355,651</u>	<u>20,853,541</u>

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	Group		Company	
	30/06/2023 N'000	31/03/2023 N'000	30/06/2023 N'000	31/03/2023 N'000
<b>20 Inventories</b>				
Raw and packaging materials	175,614,838	222,758,209	53,448,428	86,141,446
Work in Progress	22,195,187	13,456,234	6,045,900	5,254,552
Finished goods	30,246,342	30,752,760	19,279,713	16,753,825
Consumables stores and maintenance spares	70,932,602	73,065,905	43,010,244	45,801,702
Write-downs	(5,871,721)	(3,658,468)	(2,548,235)	(2,025,899)
	<u>293,117,248</u>	<u>336,374,640</u>	<u>119,236,050</u>	<u>151,925,626</u>

**21 Trade and other receivables**

**a. Trade receivables**

Trade Debtors	36,535,403	37,108,984	19,210,272	20,020,541
Allowance for doubtful debts	(4,088,398)	(4,185,485)	(2,537,518)	(2,880,779)
	<u>32,447,005</u>	<u>32,923,499</u>	<u>16,672,754</u>	<u>17,139,762</u>

**b. Other receivables**

Staff debtors	1,381,945	3,610,006	896,304	2,653,986
Amount due from related parties	-	-	79,521,729	64,460,191
Sundry debtors	12,399,276	10,936,053	14,252,558	13,563,173
	<u>13,781,221</u>	<u>14,546,059</u>	<u>94,670,590</u>	<u>80,677,350</u>
	<u>46,228,226</u>	<u>47,469,558</u>	<u>111,343,345</u>	<u>97,817,112</u>

**22 Prepayments**

**Non-current**

Prepaid expenses	-	-	-	-
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**Current**

Deposit for imports (Letters of credit)	146,513,719	131,489,455	130,355,053	125,642,327
Deposit for FX relating to forward and futures contracts	70,500,320	53,775,923	30,104,196	17,833,104
Advance payment to suppliers	77,807,407	31,567,363	63,051,498	19,542,369
Prepaid rent on operating premises	365,639	212,042	233,340	164,597
Prepaid expenses	4,795,585	11,028,301	1,907,086	6,409,746
	<u>299,982,670</u>	<u>228,073,084</u>	<u>225,651,172</u>	<u>169,592,143</u>

**23 Cash and cash equivalents**

Cash and cash equivalents comprise cash and bank balances, net of outstanding bank overdrafts.

	Group		Company	
	30/06/2023 N'000	31/03/2023 N'000	30/06/2023 N'000	31/03/2023 N'000
Cash on hand	961,228	966,470	859,587	898,055
Bank balance and Fixed deposits	128,558,157	96,735,559	80,724,558	66,268,998
Cash and bank balances	129,519,385	97,702,029	81,584,145	67,167,053
Bank overdrafts	(8,750,800)	(32,806,764)	(8,246,787)	(20,191,541)
	<u>120,768,584</u>	<u>64,895,265</u>	<u>73,337,359</u>	<u>46,975,512</u>

FLOUR MILLS OF NIGERIA PLC

NOTES TO THE CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 30 JUNE 2023

	Group		Company	
	30/06/2023 N'000	31/03/2023 N'000	30/06/2023 N'000	31/03/2023 N'000
<b>24 Trade and other payables</b>				
Trade payables	258,402,401	220,681,718	199,222,552	156,347,765
<b>Other Payables</b>				
Statutory payables	6,467,315	7,622,822	2,622,958	2,637,215
Due to related parties	-	-	12,623,176	41,195,126
Accruals	121,597,807	89,385,146	78,027,068	44,131,635
Sundry creditors	2,509,639	2,959,458	(36,362)	27,574
	130,574,761	99,967,426	93,236,840	87,991,550
	388,977,163	320,649,144	292,459,392	244,339,315
<b>25 Borrowings</b>				
<b>Unsecured borrowing at amortised cost</b>				
Bank of Industry (BOI)	30,399,356	29,581,815	3,273,613	3,556,886
CBN Commercial Agriculture Credit Scheme (CACS)	282,357	315,106	-	-
Real Sector Support Facility (RSSF)	142,398,522	131,469,831	27,328,003	27,841,483
Private Sector-Led Accelerated Agriculture Development Scheme (P-AADS)	1,215,777	1,309,273	-	-
Other Bank Loans	53,565,692	85,170,732	24,887,801	35,472,811
Anchor Borrowers Programme	-	-	-	-
National Sugar Development Council	694,189	669,160	-	-
Intra Group Loan	-	-	42,519,256	24,119,400
Commercial Papers and Bond Issue	144,985,239	100,261,855	144,985,239	100,261,855
Power and Airline Intervention Fund	828,035	913,525	828,035	913,525
	374,369,169	349,691,297	243,821,948	192,165,960
<b>Analysed into</b>				
Current	155,682,189	139,450,591	132,502,495	127,557,304
Non-current	218,686,980	210,240,706	111,319,453	64,608,656
	374,369,169	349,691,297	243,821,948	192,165,960