



NNFM

Northern Nigeria Flour Mills Plc.

**Q2 UNAUDITED RESULTS FOR THE PERIOD ENDED
30TH SEPTEMBER 2022**

NORTHERN NIGERIA FLOUR MILLS PLC.

RC - 9409



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SECURITIES TRADING POLICY

In compliance with the Securities & Exchange Commission (SEC) Rule relating to the Security Trading Framework of the Nigerian Capital Market, The Company has developed Security Trading Policy to monitor security trading within the purview of the Framework which is before the Board for approval. The Framework as established by NNFM does not permit insider trading where interested persons are not allowed to trade (buy or sell) in the shares of Northern Nigeria Flour Mills Plc within a blanket and until the Company's unaudited First Quarter Financial Statements have been released by the Nigerian Stock Exchange to the public. In the event of any such trade (buy/sell), this is required to be promptly communicated to the Company Secretary for appropriate disclosure to the Nigerian Stock Exchange as required by the Rules of the Stock Exchange.

DIRECTORS: Alhaji (Dr.) Aminu A. Dantata, CON, Mr. John G. Coumantaros (USA),
Alhaji Rabiu M. Gwarzo, OON., Alhaji Sani Umar, Mr. Paul Gbededo, Alhaji Y.O. A. Saliu,
Mr. Richard Hedges (British), Alhaji Mahmud Ahmed, Dr. Jibrilla Mohammed, Sadiq A. Usman.

Q2 UNAUDITED RESULTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2022
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Six Months Ended 30-09-22 N'000	Six Months Ended 30-09-21 N'000	Three Months Ended 30-09-22 N'000	Three Months Ended 30-09-21 N'000
Volumes (MT)		17,621	24,914	7,840	13,246
Revenue		8,240,110	8,010,995	3,849,248	4,447,514
Cost of sales	1	<u>(7,472,187)</u>	<u>(7,382,997)</u>	<u>(3,425,095)</u>	<u>(4,130,295)</u>
Gross profit/(Loss)		767,923	627,997	424,153	317,219
Other Operating Income	2	29,687	53,190	20,443	16,745
Selling and distribution expenses	3	(93,322)	(60,159)	(48,760)	(31,568)
Administrative expenses	4	<u>(477,374)</u>	<u>(353,008)</u>	<u>(353,163)</u>	<u>(182,263)</u>
Operating profit/(Loss)		226,914	268,020	42,673	120,133
Investment income		507	3,511	142	2,417
Finance cost	5	<u>(30,717)</u>	<u>(97,789)</u>	<u>(14,684)</u>	<u>(31,664)</u>
		196,704	173,742	28,131	90,886
Profit/(Loss) before tax		<u>196,704</u>	<u>173,742</u>	<u>28,131</u>	<u>90,886</u>
Tax expense				-	0
Profit/(Loss) after tax		<u>196,704</u>	<u>173,742</u>	<u>28,131</u>	<u>90,886</u>
Profit/(Loss) attributable to: Owners of the Company		<u>196,704</u>	<u>173,742</u>	<u>28,131</u>	<u>90,886</u>
Earnings per Share - Basic (Kobo)		<u>110</u>	<u>97</u>	<u>16</u>	<u>51</u>



MR ADRIAN NAIDOO
Managing Director



EMMANUEL N ODIGIE
Chief Financial Officer
FRC/2013/ICAN/0000004286

October 7th, 2022

Explanatory Notes:

Management has been able to maintain the profit making strides of the Company up to the second quarter of the year with increased turnover and revenues. This trend is expected to continue within the rest of the year.



Q2 UNAUDITED RESULTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2022
STATEMENT OF FINANCIAL POSITION

	Note	30-Sep-22 N'000	30-Sep-21 N'000	31-Mar-22 N'000
Non-current assets				
Property, plant and equipment		3,793,179	3,625,336	3,847,899
Deffered tax assets		5,815	5,815	-
Prepayments/Investments in associates		-	-	10,259
Total non-current assets		3,798,994	3,631,151	3,858,158
Current assets				
Inventories	6	7,738,074	2,513,213	8,237,924
Trade receivables	7a	99,596	127,717	222,384
Other receivables	7c	65,174	9,930	-
Prepayments	7b	29,803	56,107	34,139
Due from related companies	7c	61,698	24,058	-
Cash and deposits		631,654	2,741,688	962,523
Total current assets		8,626,000	5,472,712	9,456,970
Total assets		12,424,994	9,103,864	13,315,128
Equity				
Share capital		89,100	89,100	89,100
Share premium account		89,521	89,521	89,521
Fixed Assets Revaluation Reserve		1,566,005	1,566,005	1,566,005
Retained earnings		1,249,240	1,253,271	1,109,843
Total equity		2,993,865	2,997,897	2,854,469
Non-current liabilities				
Borrowings	8	156,118	311,687	237,569
Retirement benefit obligation	10	215,505	196,130	190,058
Long service award	11	34,367	44,656	30,746
Deferred Revenue	15	4,985	33,519	29,282
Deferred tax (asset)/Liability	9	207,385	71,553	201,570
Total non-current liabilities		618,359	657,545	689,225
Current liabilities				
Borrowings	8	165,141	285,320	156,134
Trade payables	12,13 & 15	8,593,629	4,676,784	9,401,278
Dividend payables	13			31,508
Current tax payable	13	(7,847)	7,729	97,808
Customer deposits	14	61,847	478,588	84,706
Total current liabilities		8,812,769	5,448,421	9,771,434
Total liabilities		9,431,128	6,105,966	10,460,659
Total equity and liabilities		12,424,994	9,103,864	13,315,128

NORTHERN NIGERIA FLOUR MILLS PLC
 STATEMENT OF CHANGES IN EQUITY
 Q2 UNAUDITED RESULTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2022



Equity attributable to equity holders of the Company

	Share Capital	Share premium	Revaluation reserve	Non controlling interest	Retained Earnings	Total Equity
	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 April 2021	89,100	89,521	1,566,005	-	1,106,259	2,850,885
Transfer from total comprehensive income for the period					(60,159)	(60,159)
Dividend payment					(26,730)	(26,730)
Balance at 30th September 2021	89,100	89,521	1,566,005	-	1,019,370	2,763,996
Balance at 1 April 2022	89,100	89,521	1,566,005	-	1,109,843	2,854,469
Transfer from total comprehensive income for the period					183,946	183,946
Dividend Paid					(44,550)	(44,550)
Balance at 30th September 2022	89,100	89,521	1,566,005	-	1,249,239	2,993,865

Northern Nigeria Flour Mills Plc
Statement of Cash Flows
Q2 Unaudited Statement of Cash Flows September 2022
C Statement of Cash Flows



	30-09-2022 N'000	31-Mar-22 N '000
Cash flows from operating activities		
(Loss)/profit before taxation	196,704	184,527
Adjustments for:		
Depreciation of property, plant and equipment	137,694	231,897
Profit on sale of assets	-	-
Finance costs	30,717	132,698
Provision for retirement benefit	25,447	36,257
(Credit)/provision for long service award	3,621	(3,785)
Write-off of property, plant and equipment	-	6,941
Gain on foreign exchange transactions	-	-
Minimum tax	-	76,686
Changes in working capital:		
Inventories	499,850	(5,031,537)
Trade and other receivables	(4,084)	(234,480)
Prepayments	14,595	3,199
Investment	-	7,882
Trade and other payables	(847,887)	7,170,032
Deferred income	(11,223)	(43,462)
Customer deposits	(22,859)	(253,416)
	22,573	2,283,439
Tax paid	(105,655)	-
Value added tax paid	-	-
Retirement benefit paid	-	(6,443)
Long service award benefit paid	-	(5,117)
Net cash used in operating activities	(83,082)	2,271,879
Cash flows from investing activities		
Purchase of property, plant and equipment	(82,973)	(514,610)
Sale of property, plant and equipment	-	-
Liquidation of Investment	-	-
Net cash used in investing activities	(82,973)	(514,610)
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayment of borrowings	(76,789)	(1,242,549)
Interest Paid on borrowings	(88,024)	(44,316)
Monitoring and guarantee fees	-	(2,738)
Dividend paid	-	(26,730)
Net cash generated from financing activities	(164,814)	(1,316,333)
Net cash inflow for the year	(330,869)	440,936
Cash and cash equivalents at the beginning of the year	962,523	521,587
Total cash and cash equivalents at end of year	631,654	962,523

NORTHERN NIGERIA FLOUR MILLS PLC - KANO



Q: Q2 UNAUDITED RESULTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2022

PROPERTY PLANT AND EQUIPMENT

	Land Residential	Building Residential	Land Main Factory & Soap Factory	Building- Non Residential	Plant & machinery	Furniture	Wheat Truck	Motor Vehicle	Capital WIP	TOTAL
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
April 1, 2022	410,600	9,150	1,350,675	303,255	3,191,570	126,857	328,271	60,296	373,514	5,978,013
Additions									76,720	76,720
Transfer				176,175	90,726	50,073			(316,975)	-
Adjustments										-
September 30, 2022	410,600	9,150	1,350,675	479,430	3,282,296	176,931	328,271	60,296	133,259	6,054,733

DEPRECIATION:

April 1, 2022		2,541		45,474	1,711,450	78,317	249,638	36,367		2,123,658
Charge for the period		226		2,853	104,923	17,522	9,172	3,199		137,896
September 30, 2022		2,767	-	48,328	1,816,373	95,838	258,810	39,566	-	2,261,554

Net Book Value

September 30, 2022	410,600	6,384	1,350,675	431,102	1,465,923	81,093	69,460	20,730	133,259	3,793,179
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Q2 UNAUDITED RESULTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2022

NOTES:

30-Sep-22

30-Sep-21

1	COST OF SALES	N'000	N'000
	Material costs	6,724,421	6,831,549
	Depreciation	128,116	105,129
	Direct staff costs	109,602	65,828
	Other expenses	29,334	8,388
	Rent & rates	2,504	-
	Insurance	9,154	-
	Petrol, gas & oil	409,216	317,007
	Repairs and maintenance	59,840	55,097
		7,472,187	7,382,997
2	OTHER GAINS & LOSSES	N'000	N'000
	Management fees	-	-
	Rent income	2,100	1,233.33
	Insurance claims/Provision no longer required	3,789	3,331.33
	Income on government grant	15,568	20,832.00
	Intragroup (Subsidy income, expenses, Technical fee, service provided)	-	-
	Sundry income	8,169	27,793.58
	Profit / Loss on disposal of assets	-	-
	Exchange gain/loss	-	-
	Wheat handling charges	62	-
		29,687	53,190
3	SELLING & DISTRIBUTION EXPENSES	N'000	N'000
	Employee cost	11,570	12,896
	Advertisement	15,635	2,546
	Selling expenses	66,117	44,718
		93,322	60,159
4	ADMINISTRATIVE EXPENSES	N'000	N'000
	Advertising	-	-
	Auditors remuneration	8,531	7,798
	Bad debts	154,196	74,218
	Bank charges	10,319	2,896
	Cleaning	450	660
	Consulting and professional fees	-	-
	Depreciation, amortisation & impairments	9,578	4,332
	Donations	150	190
	Employee costs	112,154	126,371
	Entertainment	3,101	4,383
	Fines and penalties	10,934	(10)
	IT expenses	29,546	6,775
	Insurance	1,270	5,134
	Magazines, books & periodicals	949	3,714
	Medical expenses	2,644	725
	Motor vehicle expenses	-	287
	Third party -deductible	5,059	4,640
	Rent & Rate	1,565	-
	Petrol & oil	2,473	979

	Placement fees	-	
	Postage	289	321
	Printing & stationery	-	-
	Repairs & maintenance	15,724	6,701
	Research & development costs	-	-
	Secretarial expenses	22,506	19,877
	Security	-	-
	Software expenses	-	-
	Subscriptions	-	-
	Telephone & fax	-	-
	Travel -local	2,244	2,270
	Travel -overseas	-	3
	Other expenses	44,839	21,024
	Group overhead allocation	38,852	59,722
	Total administration expenses	477,374	353,008
5			
	FINANCE COSTS	N'000	N'000
	Interest on Long Term Loans (BOI)	(30,717)	68,445
	Interest on CACS Loan	-	-
	Interest on IG Loans	-	29,345
		(30,717)	97,789
6	INVENTORIES	N'000	N'000
	Raw materials	6,636,780	1,943,741
	Packaging materials (consumable)	215,368	165,752
	Work in Progress	-	-
	Finished goods	601,260	325,949
	Consumables	4,882	7,373
	Spare parts (consumable)	49,659	32,663
	Sundry stocks(consumable)	230,127	37,734
	Provision for obsolete stock	(2)	-
		7,738,074	2,513,212
	Goods - in - transit (consumable)	-	-
		7,738,074	2,513,212
7a	TRADE AND OTHER RECEIVABLES	N'000	N'000
	TRADE RECEIVABLES		
	Trade Debtors	375,381	236,219
	Provision for bad debts	(275,785)	(108,502)
		99,596	127,717
7b	Prepayments	N'000	N'000
	Prepayments	29,803	56,107
		29,803	56,107
7c	OTHER RECEIVABLES	N'000	N'000
	Staff debtors	14,075	3,546
	Provision for doubtful Staff loan	(3,386)	(4,231)
	Insurance claims	-	-
	Withholding tax receivable	-	400
	Dividend receivable	(0)	-
	Other debtors	54,486	10,615
	Provision for other receivables	-	-
	Intercompany receivables	61,698	14,880
	Provision Intercompany receivables	-	-
	Investment - (Unclaimed Dividend)	-	8,778
	Intercompany receivables	-	-
8a	Unclaimed Dividend Written Back	-	-

		126,872	33,988
	LONG TERM BORROWINGS	N'000	N'000
8b	Interest bearing intra group loan	-	
	Long term loan (BOI)	156,118	311,687
		156,118	311,687
	SHORT TERM LOANS	N'000	N'000
	Short Term Finance - BOI Loans	165,141	285,320
9			
		165,141	285,320
	DEFERRED TAX	N'000	N'000
	At 1st April	201,570	54,249
	Transfers during the period	16,069	28,793
10	Charge for the period/year	(10,254)	(11,489)
	At the end of the period	207,385	71,553
	RETIREMENT BENEFIT OBLIGATION	N'000	N'000
	At 1st April	190,058	180,687
	Service cost	19,894	9,890
	Interest cost	5,553	5,553
	Actuarial gains and losses	-	-
	Intercompany transfers	-	-
	Benefits paid	-	-
11	At the end of the period	-	-
		215,505	196,130
	LONG SERVICE AWARD	N'000	N'000
	At 1 April	30,746	40,052
	Service cost	2434	3417
	Interest cost	1187	1187
	Benefits paid	-	-
	Actuarial (gains)/loss -change in assumption	-	-
	Actuarial (gains)/loss -experience	-	-
12		34,367	44,656
	CREDITORS AND ACCRUALS	N'000	N'000
13	Trade Creditors - Local	(90,852)	21,461
	Trade Creditors - O/Seas L/C Deposit		
		(90,852)	21,461
	OTHERS:	N'000	N'000
	Provisions & Accruals	251,917	58,194
	Intercompany payables	8,300,135	4,356,172
	Value added Tax	(19,430)	1,563
	Withholding tax	1,264	(1,098)
	Sundry Payable Accounts	110,357	222,580
14	Current Tax Payable	-	-
		8,644,243	4,637,411

	Customer deposits	N'000	N'000
15	Advance Payments by Customers	61,847	478,588
		N'000	N'000
	DEFERRED REVENUE (Balance sheet)		
	Short term -Government Grant	8,730	18,377
	Long term - Government Grant	4,985	33,519
The deferred revenue arises as a result of the benefit received from below-market rate government assisted loans (BOI) loans.			
The revenue is recognized in profit or loss over the useful life of the assets financed with the loan.			

Shareholding Structure/Free Float Status

Description	30-Sep-22		30-Sep-21	
	Unit	Percentage	Unit	Percentage
Issued Share Capital	178,200,000	100%	178,200,000	100%
Substantial Shareholdings (5% and above)				
FLOUR MILLS OF NIGERIA PLC	106,206,273	59.60%	94,545,159	53.06%
NORTHERN NIGERIA INVESTMENT LTD	12,955,000	7.27%	12,955,000	7.27%
Total Substantial Shareholdings	119,161,273	66.87%	107,500,159	60.33%
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests				
ALHAJI AMINU DANTATA (DIRECT)	1	0.00%	1,216,782	0.68%
ALHAJI RABIU GWARZO	609,598	0.34%	609,598	0.34%
ALHAJI SANI UMAR	237,363	0.13%	237,363	0.13%
ALHAJI OLALEKAN SALIU	97,881	0.05%	97,881	0.05%
Total Directors' Shareholdings	944,843	0.53%	2,161,624	1.21%
Other Influential Shareholdings				
OTHERS		0.00%		0.00%
Total Other Influential Shareholdings	0	0.00%	0	0.00%
Free Float in Units and Percentage	58,093,884	32.60%	68,538,217	38.46%
Free Float in Value	₦ 496,702,708.20		₦ 514,036,627.50	