

**NORTHERN NIGERIA FLOUR MILLS PLC  
UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED  
DECEMBER 31ST 2021**

# 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.



<b>NORTHERN NIGERIA FLOUR MILLS PLC - KANO</b>					
<b>UNAUDITED RESULTS FOR THE PERIOD ENDED 31ST DECEMBER 2021</b>					
<b>STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME</b>					
		<b>Nine Months Ended</b>	<b>Nine Months Ended</b>	<b>Three Months Ended</b>	<b>Three Months Ended</b>
		<b>31-12-21</b>	<b>31-12-20</b>	<b>31-12-21</b>	<b>31-12-20</b>
	Note	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Volumes (MT)</b>		<b>33,773</b>	<b>27,466</b>	<b>8,858</b>	<b>7,834</b>
Revenue		11,363,242	6,454,885	3,352,248	2,109,908
Cost of sales	1	(10,386,075)	(5,984,213)	(3,003,077)	(2,055,239)
<b>Gross profit/(Loss)</b>		<b>977,167</b>	<b>470,671</b>	<b>349,170</b>	<b>54,669</b>
Other Operating Income	2	77,216	73,733	24,026	28,460
Selling and distribution expenses	3	(92,086)	(60,330)	(31,926)	(22,807)
Administrative expenses	4	(603,439)	(321,859)	(250,431)	(139,310)
<b>Operating profit/(Loss)</b>		<b>358,859</b>	<b>162,215</b>	<b>90,839</b>	<b>(78,988)</b>
Investment income		4,722	35,969	1,211	30,215
Finance cost	5	(115,584)	(146,959)	(17,795)	(46,344)
		247,997	51,225	74,255	(95,117)
<b>Profit/(Loss) before tax</b>		<b>247,997</b>	<b>51,225</b>	<b>74,255</b>	<b>(95,117)</b>
Tax expense		(21,699)		(21,699)	-
<b>Profit/(Loss) after tax</b>		<b>226,298</b>	<b>51,225</b>	<b>52,556</b>	<b>(95,117)</b>
Profit/(Loss) attributable to:					
<b>Owners of the Company</b>		<b>226,298</b>	<b>51,225</b>	<b>52,556</b>	<b>(95,117)</b>
<b>Earnings per Share - Basic (Kobo)</b>		<b>127</b>	<b>29</b>	<b>29</b>	<b>(53)</b>
<b>Mr. Adrian Naidoo</b>				<b>EMMANUEL N. ODIGIE</b>	
<b>Managing Director</b>				<b>Chief Financial Officer</b>	
				<b>FRC/2013/ICAN/0000004286</b>	
<b>January 29th, 2022</b>					
<b>Explanatory Notes:</b>					
<i>The management reinforced her efforts to sustain profitability within the quarter as well as managing costs and improving margins.</i>					



Northern Nigeria Flour Mills Plc			
Unaudited Statement of Cash Flows Q3 December 2021			
	31-12-2021 N'000	31-12-2020 N'000	31-Mar-21 N '000
Cash flows from operating activities			
(Loss)/profit before taxation	247,997	51,225	134,346
Adjustments for:			
<b>Depreciation of property, plant and equipment</b>	168,970	165,758	207,708
Profit on sale of assets	-	-	-
Interest income	(3,543)	(35,969)	-
Finance costs	115,584	146,959	184,317
Provision for retirement benefit	23,488	16,832	24,922
(Credit)/provision for long service award	3,077	4,611	7,882
Write-off of property, plant and equipment	-	-	-
Gain on foreign exchange transactions			-
Minimum tax			21,669
<b>Changes in working capital:</b>			
Inventories	(1,741,710)	261,088	(1,645,744)
Trade and other receivables	(129,030)	693,386	804,506
Prepayments	17,108	2,350	(16,210)
Investment	7,882	-	8,094
Trade and other payables	3,897,193	607,826	(113,627)
Deferred income	(56,709)	(58,997)	(60,322)
Customer deposits	(179,877)	248,546	187,861
Dividend payable	2,104	-	-
	<b>2,372,535</b>	<b>2,103,615</b>	<b>(254,598)</b>
Tax paid	(54,189)	(40,823)	(40,823)
Value added tax paid	-	-	-
Retirement benefit paid	-	-	(3,500)
Long service award benefit paid	-	(3,643)	-
<b>Net cash used in operating activities</b>	<b>2,318,347</b>	<b>2,059,149</b>	<b>(298,921)</b>
Cash flows from investing activities			
Purchase of property, plant and equipment	(315,595)	(51,234)	(46,260)
Sale of property, plant and equipment	-	-	15,027
Interest income received	3,543	35,969	-
<b>Net cash used in investing activities</b>	<b>(312,052)</b>	<b>(15,265)</b>	<b>(31,233)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	-	-	-
Repayment of borrowings	(1,599,718)	(1,223,106)	(1,329,615)
Finance costs/Dividend paid	(100,896)	(173,689)	(130,124)
<b>Net cash generated from financing activities</b>	<b>(1,700,614)</b>	<b>(1,396,795)</b>	<b>(1,459,739)</b>
<b>Net cash inflow/(Outflow) for the year</b>	<b>305,680</b>	<b>647,089</b>	<b>(1,789,893)</b>
Cash and cash equivalents at the beginning of the year	521,587	2,311,480	2,311,480
<b>Total cash and cash equivalents at end of year</b>	<b>827,267</b>	<b>2,958,569</b>	<b>521,587</b>

<b>NORTHERN NIGERIA FLOUR MILLS PLC - KANO</b>						
<b>STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST DECEMBER 2021</b>						
	<b>Equity attributable to equity holders of the Company</b>					
	<b>Share Capital</b>	<b>Share premium</b>	<b>Revaluation reserve</b>	<b>Non controlling interest</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Balance at 1 April 2019</b>	89,100	89,521	-	-	971,663	1,150,284
Transfer from total comprehensive income for the period					(212,277)	(212,277)
Dividend payment						-
<b>Balance at 31st December 2019</b>	89,100	89,521	-	-	759,386	938,007
<b>Balance at 1 April 2020</b>	89,100	89,521	1,566,005	-	1,024,369	2,768,995
Transfer from total comprehensive income for the period					51,225	51,225
Dividend Paid					(26,730)	(26,730)
<b>Balance at 31st December 2020</b>	89,100	89,521	1,566,005	-	1,048,864	2,793,490
<b>Balance at 1 April 2021</b>	89,100	89,521	1,566,005	-	1,043,145	2,787,771
Transfer from total comprehensive income for the period					289,412	289,412
Dividend Paid					(26,730)	(26,730)
<b>Balance at 31st December 2021</b>	89,100	89,521	1,566,005	-	1,305,827	3,050,453

<b>Northern Nigerian Flour Mills</b>										
<b>NOTES TO UNAUDITED MANAGEMENT ACCOUNTS</b>										
<b>December 31, 2021</b>										
	<b>Land Residential</b>	<b>Building Residential</b>	<b>Land Main Factory &amp; Soap Factory</b>	<b>Building-Non Residential</b>	<b>Plant &amp; machinery</b>	<b>Furniture</b>	<b>Wheat Truck</b>	<b>Motor Vehicle</b>	<b>Capital WIP</b>	<b>TOTAL</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>April 1, 2021</b>	<b>410,599.48</b>	<b>9,150</b>	<b>1,350,676</b>	<b>107,020</b>	<b>3,140,278</b>	<b>106,363</b>	<b>246,817</b>	<b>59,555</b>	<b>94,356</b>	<b>5,524,816</b>
Additions									315,595	315,595
Transfer				3,327	50,722	22,247	81,764	23,063	(181,123)	-
Reclassification										-
Disposals										-
Adjustments										-
<b>December 31, 2021</b>	<b>410,599</b>	<b>9,150</b>	<b>1,350,676</b>	<b>110,347</b>	<b>3,191,000</b>	<b>128,610</b>	<b>328,581</b>	<b>82,618</b>	<b>228,829</b>	<b>5,840,411</b>
<b>DEPRECIATION:</b>										
<b>April 1, 2021</b>		<b>2,079</b>	<b>0</b>	<b>41,584</b>	<b>1,523,624</b>	<b>88,903</b>	<b>242,190</b>	<b>54,124</b>		<b>1,952,503</b>
Charge for the period		349		2,766	151,066	5,435	5,760	3,594		168,970
Adjustment		-		-			-			-
Eliminated by disposal										-
Adjustments										-
<b>December 31, 2021</b>		<b>2,428</b>		<b>44,351</b>	<b>1,674,689</b>	<b>94,342</b>	<b>247,950</b>	<b>57,718</b>		<b>2,121,473</b>
<b>Net Book Value</b>										
<b>December 31, 2021</b>	<b>410,599</b>	<b>6,722</b>	<b>1,337,083</b>	<b>65,996</b>	<b>1,515,879</b>	<b>34,699</b>	<b>80,632</b>	<b>24,900</b>	<b>228,829</b>	<b>3,718,938</b>

<b>NORTHERN NIGERIA FLOUR MILLS PLC - KANO</b>			
<b>NOTES TO THE UNAUDITED RESULTS FOR THE PERIOD ENDED 31ST DECEMBER 2021</b>			
		<b>31-Dec-21</b>	<b>31-Dec-20</b>
<b>NOTES:</b>			
<b>1</b>	<b>COST OF SALES</b>		<b>N'000</b>
	Material costs	9,552,950	5,425,863
	Depreciation	160,370	157,266
	Direct staff costs	118,807	119,647
	Other expenses	12,880	11,084
	Rent & rates	-	1,850
	Insurance	-	770
	Petrol, gas & oil	446,189	226,481
	Repairs and maintenance	94,879	41,252
		10,386,075	5,984,213
<b>2</b>	<b>OTHER GAINS &amp; LOSSES</b>		<b>N'000</b>
	Management fees	-	-
	Rent income	1,883	2,025
	Insurance claims/Provision no longer required	(1)	0
	Income on government grant	35,716	57,488
	Intragroup (Subsidy income, expenses, Technical fee, service provided)	-	-
	Sundry income	39,619	14,220
	Profit / Loss on disposal of assets	-	-
	Exchange gain/loss	-	-
	Wheat handling charges	-	-
		77,216	73,733
<b>3</b>	<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		<b>N'000</b>
	Employee cost	16,499	21,225
	Advertisement	2,827	40
	Selling expenses	72,760	39,065
		92,086	60,330
<b>4</b>	<b>ADMINISTRATIVE EXPENSES</b>		<b>N'000</b>
	Advertising	8,837	-
	Auditors remuneration	179,776	12,269
	Bad debts	3,260	9,424
	Bank charges	660	1,870
	Cleaning	-	280
	Consulting and professional fees	8,587	15,610
	Depreciation, amortisation & impairments	590	8,491
	Donations	184,939	-
	Employee costs	4,830	122,193
	Entertainment	5,743	438
	Fines and penalties	21,471	10,152
	IT expenses	8,101	15,894
	Insurance	4,964	6,210
	Magazines, books & periodicals	1,086	87
	Medical expenses	4,825	5,704
	Motor vehicle expenses	5,753	3
	Third party -deductible	-	3,132
	Petrol & oil	1,145	2,358
	Placement fees	-	-
	Postage	451	56
	Printing & stationery	-	1,511
	Repairs & maintenance	11,734	2,610
	Research & development costs	-	-
	Secretarial/Registrars Fees & expenses	23,727	6,951
	Security	-	-
	Software expenses	-	-
	Subscriptions	-	786
	Telephone & fax	-	-
	Travel -local	3,145	8,852
	Travel -overseas	3	1,971
	Other expenses	30,230	20,403
	Group overhead allocation	89,582	64,605
	Total administration expenses	603,439	321,859
<b>5</b>	<b>FINANCE COSTS</b>		<b>N'000</b>
	Interest on Long Term Loans (BOI & CBN-RSSF)	115,584	146,959
	Interest on Intragroup Loans		
		115,584	146,959

**NOTES TO THE UNAUDITED RESULTS FOR THE PERIOD ENDED 31ST DECEMBER 2021**

NOTES:		31-Dec-21	31-Dec-20
6	<b>INVENTORIES</b>		<b>N'000</b>
	Raw materials	4,226,024	883,697.02
	Packaging materials (consumable)	171,580	88,211.78
	Work in Progress	0	-
	Finished goods	389,405	277,217.09
	Consumables	6,430	5,380.08
	Spare parts (consumable)	34,161	31,718.21
	Sundry stocks(consumable)	120,392	35,831.49
	Provision for obsolete stock	43	(24,846.79)
		4,948,036	1,297,209
	Goods - in - transit (consumable)	0	2,284.19
		<b>4,948,036</b>	<b>1,299,493</b>
7a	<b>TRADE AND OTHER RECEIVABLES</b>		<b>N'000</b>
	<b>TRADE RECEIVABLES</b>		
	Trade Debtors	298,806	295,289
	Provision for bad debts	(214,059)	(178,777)
		84,746	116,512
7b	<b>Prepayments</b>		<b>N'000</b>
	Prepayments	30,446	22,025
			22,025
7c	<b>OTHER RECEIVABLES</b>		<b>N'000</b>
7ci	Staff debtors	4,379	3,849
7ci	Provision for doubtful Staff loan	(4,231)	(4,231)
	Insurance claims	0	-
	Withholding tax receivable	483	83
	Other debtors	(0)	15,086
	Provision for other receivables	51,843	-
	Intercompany receivables	0	46,403
	Provision Intercompany receivables	1,420	-
		53,894	61,189
8	<b>LONG TERM BORROWINGS</b>		<b>N'000</b>
	Long term loans (BOI)	275,841.70	689,572
	Short Term Loans (BOI)	154,136.58	181,701
		429,978	871,273
9	<b>DEFERRED TAX</b>		
	At 1st April	71,553	112,047
	Transfers during the period	-	1,890.00
	Charge for the period/year	-	(168,186.00)
	At the end of the period	71,553	54,249
10	<b>RETIREMENT BENEFIT OBLIGATION</b>		<b>N'000</b>
	At 1st April	180,687	121,864
	Service cost		6,330
	Interest cost		10,502
	Acturial gains and losses	27,192	-
	Intercompany transfers		-
	Benefits paid	(3,704)	-
	At the end of the period	204,175	138,696

11	<b>LONG SERVICE AWARD</b>		
			<b>N'000</b>
	At 1 April	40,052	31,602
	Service cost		2,122
	Interest cost		2,489
	Benefits paid	(3,422)	(3,643)
	Actuarial (gains)/loss -change in assumption	6,499	
	Actuarial (gains)/loss -experience		
		43,129	32,570
12	<b>CREDITORS AND ACCRUALS</b>		<b>N'000</b>
	Trade Creditors - Local	522,591	1,066,094
	Trade Creditors - O/Seas L/C Deposit		-
		522,591	1,066,094
13	<b>OTHERS:</b>		<b>N'000</b>
	Provisions & Accruals	374,102	44,004
	Intercompany payables	4,703,525	2,383,932
13a	Value added Tax	(2,688)	(1,250)
13a	Withholding tax & CIT	(20,825)	7,729
	Sundry Accounts	66,362	234,729
	Dividends Payable/Unclaimed	31,508	22,910
		<b>5,151,984</b>	<b>2,692,054</b>
14	<b>Customer deposits</b>		
	Advance Payments by Customers	158,245	398,807
			<b>N'000</b>
15	<b>DEFERRED REVENUE (Balance sheet)</b>		
	Short term -Government Grant	21,949	5,608
15a	Long term	15,079	68,461
<p>The deferred revenue arises as a result of the benefit received from below-market-interest 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.</p>			

**Northern Nigeria Flour Mills Plc**  
**Shareholding Structure/Free Float Status**

Description	31-Dec-21		31-Dec-20	
	Unit	Percentage	Unit	Percentage
Issued Share Capital	178,200,000	100%	178,200,000	100%
<b>Substantial Shareholdings (5% and above)</b>				
FLOUR MILLS OF NIGERIA PLC	94,545,159	53.06%	94,545,159	53.06%
NORTHERN NIGERIA INVESTMENT LTD	12,955,000	7.27%	12,955,000	7.27%
DANTATA INVST & SECURITIES LTD	11,661,114	6.54%	11,661,114	6.54%
Total Substantial Shareholdings	119,161,273	66.87%	119,161,273	66.87%
<b>Directors' Shareholdings (direct and indirect), excluding directors with substantial interests</b>				
ALHAJI AMINU DANTATA (DIRECT)	1,216,782	0.68%	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	2,161,624	1.21%	2,161,624	1.21%
<b>Other Influential Shareholdings</b>				
OTHERS		0.00%		0.00%
Total Other Influential Shareholdings	0	0.00%	0	0.00%
<b>Free Float in Units and Percentage</b>	56,877,103	31.92%	56,877,103	31.92%
<b>Free Float in Value</b>	₦ 455,016,824.00		₦ 383,351,674.22	