

NORTHERN NIGERIA FLOUR MILLS PLC.

RC - 9409



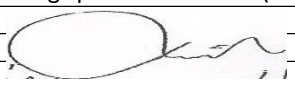
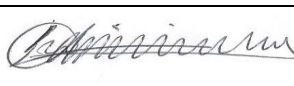
15, Mai Malari Road, Bompai Industrial Estate, Kano - Nigeria.


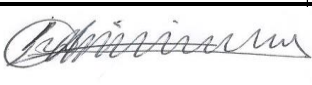
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NORTHERN NIGERIA FLOUR MILLS PLC Q1 UNAUDITED RESULTS FOR THE PERIOD ENDED June 30, 2020

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.

NORTHERN NIGERIA FLOUR MILLS PLC - KANO				
Q1 UNAUDITED RESULTS FOR THE PERIOD ENDED 30TH JUNE 2020				
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME				
		Three Months Ended	Three Months Ended	
		30-06-20	30-06-19	
	Note	N'000	N'000	
Volumes (MT)		9,425	4,698	
Revenue		1,905,414	1,127,678	
Cost of sales	1	(1,727,842)	(962,981)	
Gross profit/(Loss)		177,572	164,697	
Other Operating Income	2	41,866	29,365	
Selling and distribution expenses	3	(18,461)	(5,912)	
Administrative expenses	4	(82,713)	(74,654)	
Operating profit/(Loss)		118,264	113,496	
Investment income		5,438	457	
Finance cost	5	(55,201)	(96,999)	
		68,501	16,954	
Profit/(Loss) before tax		68,501	16,954	
Tax expense		-	(6,199)	
Profit/(Loss) after tax		68,501	10,755	
Profit/(Loss) attributable to:				
Owners of the Company		68,501	10,755	
Earnings per Share - Basic (Kobo)		38	6	
				
Mr Gert Jacobus Kriek			EMMANUEL N. ODIGIE	
Managing Director			Chief Financial Officer	
FRC/2020/003/00000020974			FRC/2013/ICAN/0000004286	
July 28th, 2020				
Explanatory Notes:				
Expectedly, Management has been able to maintain the profit making strides of the Company in the first quarter of the year with increased turnover and revenues, and a significant reduction in finance costs. This trend is expected to continue within the				

NORTHERN NIGERIA FLOUR MILLS PLC - KANO				
Q1 UNAUDITED RESULTS FOR THE PERIOD ENDED 30TH JUNE 2020				
STATEMENT OF FINANCIAL POSITION				
30TH JUNE 2020				
		30-Jun-20	30-Jun-19	31-Mar-20
	Note	N'000	N'000	N'000
Non-current assets				
Property, plant and equipment		3,683,632	2,047,515	3,732,892
Deffered tax assets	9	-	112,047	-
Prepayments		-	-	6,969
Total non-current assets		3,683,632	2,159,562	3,739,861
Current assets				
Inventories	6	1,385,351	2,547,792	1,560,582
Trade receivables	7a	51,543	101,683	809,673
Other receivables	7c	60,754	48,425	15,012
Prepayments	7b	51,446	24,129	24,375
Due from related companies	7c	823,867	58,969	31,003
Cash and deposits		2,676,676	129,329	2,311,480
Total current assets		5,049,637	2,910,327	4,752,125
Total assets		8,733,269	5,069,889	8,491,986
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
Retained earnings		1,092,870	982,846	1,024,367
Total equity		2,837,496	1,161,467	2,768,993
Non-current liabilities				
Borrowings	8	663,611	2,805,534	663,611
Retirement benefit obligation	10	127,546	100,986	121,864
Long service award	11	33,163	25,770	31,602
Deferred Revenue	15	75,270	87,688	68,461
Deferred tax (asset)/Liability	9	54,249	-	54,249
Total non-current liabilities		953,839	3,019,978	939,787
Current liabilities				
Borrowings	8	378,503		
Trade payables	12	1,152,133	321,790	3,115,124
Other payables	13 & 15	2,653,241	300,954	1,452,207
Current tax payable	13	188,876	138,986	65,614
Customer deposits	14	569,181	126,714	150,261
Total current liabilities		4,941,934	888,444	4,783,206
Total liabilities		5,895,773	3,908,422	5,722,993
Total equity and liabilities		8,733,269	5,069,889	8,491,986
				
Mr Gert Jacobus Kriek			Emmanuel N. Odigie	
Managing Director			Chief Financial Officer	
FRC/2020/003/00000020974			FRC/2013/ICAN/00000004286	

Northern Nigeria Flour Mills Plc			
Statement of Cash Flows			
Q1 Unaudited Statement of Cash Flows June 2020			
	30-06-2020		31-Mar-20
	N'000		N '000
Cash flows from operating activities			
(Loss)/profit before taxation	68,501		120,675
Adjustments for:			
Depreciation of property, plant and equipment	52,440		198,305
Profit on sale of assets	(3,180)		385
Finance costs	55,201		465,703
Provision for retirement benefit	5,682		21,128
(Credit)/provision for long service award	1,561		9,130
Write-off of property, plant and equipment	-		-
Gain on foreign exchange transactions	-		-
Minimum tax	-		-
Changes in working capital:			
Inventories	175,231		617,485
Trade and other receivables	685,341		(702,050)
Prepayments	(16,010)		(5,200)
Investment	-		(5,839)
Trade and other payables	(2,569)		2,572,195
Deferred income	6,809		(190,473)
Customer deposits	418,920		75,223
Dividend payable	-		-
	1,447,927		3,176,667
Tax paid	(6,779)		(2,746)
Value added tax paid	(12,211)		-
Retirement benefit paid	-		(1,902)
Long service award benefit paid	-		(13,181)
Net cash used in operating activities	1,428,937		3,158,838
Cash flows from investing activities			
Purchase of property, plant and equipment	(3,180)		(96,420)
Sale of property, plant and equipment	-		-
Net cash used in investing activities	(3,180)		(96,420)
Cash flows from financing activities			
Proceeds from borrowings	-		900,000
Repayment of borrowings	(1,005,360)		(212,965)
Finance costs paid	(55,201)		(1,860,756)
Net cash generated from financing activities	(1,060,561)		(1,173,721)
Net cash inflow for the year	365,196		1,888,697
Cash and cash equivalents at the beginning of the year	2,311,480		422,783
Total cash and cash equivalents at end of year	2,676,676		2,311,480

NORTHERN NIGERIA FLOUR MILLS PLC - KANO							
STATEMENT OF CHANGES IN EQUITY							
FOR THE PERIOD ENDED 30TH JUNE 2020							
NORTHERN NIGERIA FLOUR MILLS PLC							
		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 2019		89,100	89,521	-	-	972,091	1,150,712
Transfer from total comprehensive income for the period						10,755	10,755
Dividend payment							-
Balance at 30th June 2019		89,100	89,521	-	-	982,846	1,161,467
Balance at 1 April 2020		89,100	89,521	1,566,005	-	1,024,369	2,768,995
Transfer from total comprehensive income for the period						68,501	68,501
Balance at 30 June 2020		89,100	89,521	1,566,005	-	1,092,870	2,837,496

NORTHERN NIGERIA FLOUR MILLS PLC - KANO							
Q1 UNAUDITED RESULTS FOR THE PERIOD ENDED 30TH JUNE 2020							
PROPERTY PLANT AND EQUIPMENT							
		Freehold Land & Buildings	Plant & Machinery	Furniture & Equip	Motor Vehicles	CWIP	Total
		N '000	N '000	N '000	N '000	N '000	N '000
Cost or valuation							
1 April 2020		1,879,864	3,113,213	96,842	296,530	104,832	5,491,281
Reclassification							-
Additions				954		2,227	3,181
Transfers							-
Adjustments							
Disposals							
30 JUNE 2020		1,879,864	3,113,213	97,796	296,530	107,059	5,494,462
Depreciation							
1 April 2020		53,884	1,326,636	89,216	288,653	-	1,758,389
Charge		1,163	49,554	1,142	581		52,440
Transfer							-
Disposals							-
30 JUNE 2020		55,047	1,376,190	90,358	289,234	-	1,810,829
NBV							
30 JUNE 2020		1,824,817	1,737,023	7,438	7,296	107,059	3,683,632
1 April 2020		1,825,980	1,786,577	7,626	7,877	104,832	3,732,892

NORTHERN NIGERIA FLOUR MILLS PLC - KANO
NOTES TO Q1 UNAUDITED RESULTS FOR THE PERIOD ENDED 30TH JUNE 2020

NOTES:		30-Jun-20	30-Jun-19
1	COST OF SALES	N'000	N'000
	Material costs	1,543,275	831,685
	Depreciation	51,759	46,977
	Direct staff costs	44,722	35,845
	Other expenses	2,417	599
	Rent & rates	1,786	6,228
	Insurance	264	874
	Petrol, gas & oil	73,764	36,045
	Repairs and maintenance	9,855	4,728
		1,727,842	962,981
2	OTHER GAINS & LOSSES	N'000	N'000
	Management fees		
	Rent income	325	450
	Insurance claims/Provision no longer required	-	-
	Income on government grant	37,766	23,116
	Intragroup (Subsidy income, expenses, Technical fee, service provided)	-	-
	Sundry income	3,775	5,799
	Profit / Loss on disposal of assets	-	-
	Exchange gain/loss	-	-
	Wheat handling charges	-	-
		41,866	29,365
3	SELLING & DISTRIBUTION EXPENSES		N'000
	Employee cost	6,320	2,364
	Advertisement	40	330
	Selling expenses	12,101	3,218
		18,461	5,912
4	ADMINISTRATIVE EXPENSES	N'000	N'000
	Advertising		
	Auditors remuneration	3,995	8,226
	Bad debts	-	-
	Bank charges	623	481
	Cleaning	55	7
	Consulting and professional fees	1,334	4,214
	Depreciation, amortisation & impairments	681	1,176
	Donations	-	50
	Employee costs	36,236	28,137
	Entertainment	56	458
	Fines and penalties	30	1,934
	IT expenses	3,778	1,878
	Insurance	2,097	987
	Magazines, books & periodicals	28	34
	Medical expenses	256	-
	Motor vehicle expenses	3	7
	Third party -deductible	(1,132)	1,189
	Petrol & oil	1,464	730
	Placement fees	-	-
	Postage	11	149
	Printing & stationery	169	92
	Repairs & maintenance	2,071	2,926
	Research & development costs	-	-
	Secretarial expenses	4,060	1,137
	Security	-	378
	Software expenses	3,549	550
	Subscriptions	-	770
	Telephone & fax	-	62
	Travel -local	364	2,819
	Travel -overseas	-	731
	Other expenses	1,450	-
	Group overhead allocation	21,535	15,532
	Total administration expenses	82,713	74,654
5	FINANCE COSTS	N'000	N'000
	Interest on Long Term Loans (BOI)	50,290	54,634
	Interest on CACS Loan	4,911	42,365
		55,201	96,999

NORTHERN NIGERIA FLOUR MILLS PLC - KANO

NOTES TO Q1 UNAUDITED RESULTS FOR THE PERIOD ENDED 30TH JUNE 2020

NOTES:	30-Jun-20	30-Jun-19
6 INVENTORIES	N'000	N'000
Raw materials	1,076,887	2,432,661
Packaging materials (consumable)	80,029	-
Work in Progress	-	-
Finished goods	182,742	73,897
Consumables	3,128	-
Spare parts (consumable)	25,190	17,457
Sundry stocks (consumable)	29,376	-
Provision for obsolete stock	-	-
	1,397,352	2,524,015
Goods - in - transit (consumable)	(12,000)	23,777
	1,385,352	2,547,792
7a TRADE AND OTHER RECEIVABLES	N'000	N'000
TRADE RECEIVABLES		
Trade Debtors	220,897	291,757
Provision for bad debts	(169,354)	(190,074)
	51,543	101,683
7b Prepayments	N'000	N'000
Prepayments	51,446	24,129
	51,446	24,129
7c OTHER RECEIVABLES	N'000	N'000
Staff debtors	4,738	6,463
Provision for doubtful Staff loan	(4,231)	(7,308)
Insurance claims	-	-
Withholding tax receivable	14,560	24,088
Other debtors	14,687	(410)
Investment - (Unclaimed Dividend)	31,003	25,164
Intercompany receivables	823,867	58,969
Unclaimed Dividend Written Back	-	428
	894,624	107,394
8a LONG TERM BORROWINGS	N'000	N'000
Interest bearing intra group loan	-	905,266
Long term loan (BOI)	663,611	1,900,268
	663,611	2,805,534
8b SHORT TERM LOANS	N'000	N'000
Short Term Finance - BOI Loans	378,503	-
	378,503	-
9 DEFERRED TAX	N'000	N'000
At 1st April	112,047	92,216
Transfers during the period	1,890	23,463
Charge for the period/year	(168,186)	(3,632)
At the end of the period	54,249	112,047
10 RETIREMENT BENEFIT OBLIGATION	N'000	N'000
At 1st April	121,864	95,744
Service cost	2,138	1,735
Interest cost	3,544	3,507
Actuarial gains and losses	-	-
Intercompany transfers	-	-
Benefits paid	-	-
At the end of the period	127,546	100,986
11 LONG SERVICE AWARD	N'000	N'000
At 1 April	31,602	24,374
Service cost	713	537
Interest cost	848	859
Benefits paid	-	-
Actuarial (gains)/loss -change in assumption	-	-
Actuarial (gains)/loss -experience	-	-
	33,163	25,770
12 CREDITORS AND ACCRUALS	N'000	N'000
Trade Creditors - Local	1,149,198	321,790
Trade Creditors - O/Seas L/C Deposit	2,935	-
	1,152,133	321,790
13 OTHERS:	N'000	N'000
Provisions & Accruals	39,394	37,622
Intercompany payables	2,464,682	117,255
Value added Tax	121,063	111,040
Withholding tax	2,199	402
Sundry Payable Accounts	129,135	45,013
Current Tax Payable	65,614	27,544
	2,822,087	338,876
14 Customer deposits	N'000	N'000
Advance Payments by Customers	569,181	126,714
	569,181	126,714
15 DEFERRED REVENUE (Balance sheet)	N'000	N'000
Short term -Government Grant	20,030	101,064
Long term	75,270	87,688

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.