



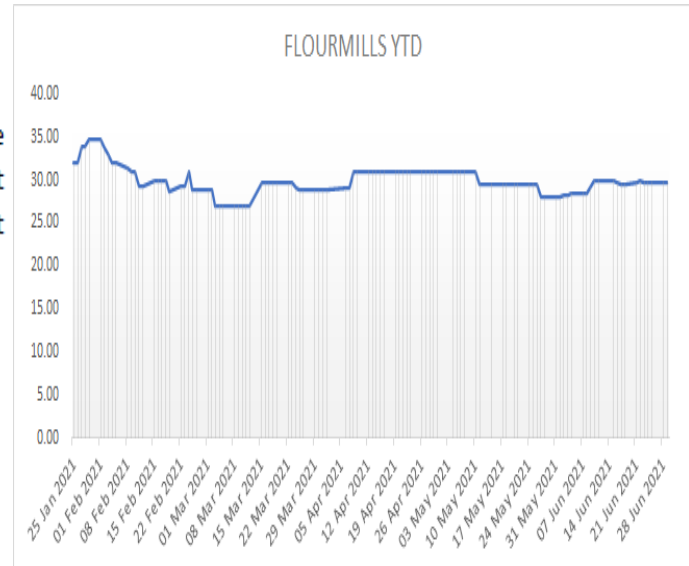
FLOURMILLS improves profitability records massive 126.05 percent jump in PAT

Flourmills Nigeria Plc published its Full-Year 2021 Earnings' result on Tuesday, 29th June 2021. According to the results, the company recorded a 126.05% jump in profit after tax as profits soared from N11.37 bn in FY 2020 to N25.17 bn in FY2021, after the food company grew Revenue faster than its cost. FLOURMILL posted N771.60 bn as Revenue in FY2021 which translated to a 34.48% growth as net profit margin moved to 4.82% in FY2021 from 3.05% in FY 2020.

Meanwhile, FLOURMILLS continues to post impressive returns for investors as the company post a 14.37% return on equity in FY'2021, better than 7.14% in FY2020. The food production giant grew assets to N544.73 bn in FY2021 from N432.45 bn in FY2020. The company also grew borrowings by 23.71% to see the debt to equity ratio move to 0.74x. Note that FLOURMILLS just completed a bond issuance of N30 Bn to finance working capital and aid the expansion in its sugar business.

However, as the economy continues to open up with increasing covid 19 inoculations and the lifting of lockdown restrictions continue to take place locally and globally, it is expected that FLOURMILLS will record an increase in sales and start to enjoy synergies from its recent diversification into agro-allied services and sugar production.

| Company | FLOUR MILLS | |
|--------------------------|----------------------------|----------------|
| Valuation | 2021 | |
| EPS | | 6.27 |
| BVPS | | 42.58 |
| P/E | | 4.63 |
| P/BV | | 0.68 |
| Current Price | | 29.05 |
| Key Metrics | 2020 | 2021 |
| ROA | 2.63% | 4.72% |
| ROE | 7.30% | 14.73% |
| Debt to Equity | 0.67 | 0.74 |
| Current Ratio | 1.28 | 1.46 |
| Net Profit Margin | 3.05% | 4.82% |
| Asset Turnover | 1.33 | 1.42 |
| Shares Statistics | Share Out & Mkt Cap in ooo | |
| Yr Hi | | 35.00 |
| Yr Low | | 17.00 |
| YTD Return | | -3.13% |
| No of Shares Outstanding | | 4,100,379.00 |
| Market Cap | | 119,116,009.95 |



Financial Highlights (NGN Thousands) Flour Mills 2021 FY

| Profit & Loss Account | 2020 FY | 2021 FY | y/y Growth |
|--------------------------------|-----------------------|-----------------------|----------------|
| Revenue | 573,774,356.00 | 771,607,880.00 | 34.48% |
| Cost of Sales | (507,987,179.00) | (664,850,870.00) | 30.88% |
| Gross Profit | 65,787,177.00 | 106,757,010.00 | 62.28% |
| Operating Expenses | (32,624,596.00) | (41,125,355.00) | 26.06% |
| Operating Profit | 35,079,636.00 | 52,196,727.00 | 48.79% |
| Investment Income | 2,392,649.00 | 3,652,138.00 | 52.64% |
| Finance Cost | (19,975,470.00) | (18,655,198.00) | -6.61% |
| PBT | 17,496,815.00 | 37,193,667.00 | 112.57% |
| Tax Expenses | (5,876,850.00) | (11,567,960.00) | 96.84% |
| PAT | 11,376,743.00 | 25,716,923.00 | 126.05% |
| Balance Sheet | 2020 FY | 2021 FY | |
| Inventories | 115,596,185.00 | 195,449,036.00 | 69.08% |
| Trade and Other Receivables | 25,731,446.00 | 25,825,611.00 | 0.37% |
| Cash and Cash Equivalent | 26,210,974.00 | 37,163,344.00 | 41.79% |
| Property Plant and Equipment | 216,890,095.00 | 208,721,490.00 | -3.77% |
| Intangible assets and goodwill | 5,101,877.00 | 4,794,426.00 | -6.03% |
| Current Assets | 189,731,687.00 | 306,005,143.00 | 61.28% |
| Total Assets | 432,453,842.00 | 544,732,813.00 | 25.96% |
| Shareholders Fund | 155,807,771.00 | 174,613,950.00 | 12.07% |
| Trade and Other Payables | 83,613,863.00 | 120,152,472.00 | 43.70% |
| Loans and Borrowings | 104,019,227.00 | 128,678,016.00 | 23.71% |
| Current Liabilities | 148,758,254.00 | 209,696,110.00 | 40.96% |
| Total Liabilities | 276,646,071.00 | 370,118,863.00 | 33.79% |

Atlass Portfolio: Daily Market Report

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