FLOUR MILLS OF NIGERIA PLC

PRESS STATEMENT ON FLOODS AT SUNTI GOLDEN SUGAR ESTATES

Lagos, 25 September 2020

As a result of the long and intensive rainfalls recorded recently at the northern and central parts of the Niger basin, coupled with massive floods triggered by severe downpours at the Sokoto Rima basin, the Kainji and Jebba dams witnessed an upsurge and rather dramatic increase in the lateral flow of water.

As expected, Mainstream Energy Solutions (MESL) operators of the Kainji and Jebba reservoirs, with whom we have a longstanding relationship immediately initiated a strategic spillway operation to control the enormous volume of floods and to weaken the flood peaks. Their inspired and prompt response averted what could have otherwise been a devastating incidence.

Nonetheless, the resulting high inflows in the downstream Niger River have caused a breach to the extensive and properly designed dyke systems at Sunti Golden Sugar Estates (SGSE). As a precaution, immediate safety protocols have been instituted to safeguard employees, property and equipment.

The management of SGSE is also in constant communication with the National Control Center (NCC), and MESL who have been releasing daily updates on inflows, outflows and reservoir levels at Jebba and Kainji.

While SGSE has suffered some disruptions to operations and delays to our expansion project to increase the area under cultivation to 4,000 hectares by mid-2021, the actual state of damage to the current sugarcane crop at Sunti, can only truly be assessed once the floodwater subsides. Overall, based on currently available information, the breach is not foreseen to impact the overall performance of the Group.

The management will release further details in due course as the need arises. However, we assure our investors and other key stakeholders, that there is no immediate threat to the earlier indicated earnings projections of Flour Mills of Nigeria Plc.
We also wish to advise that the Company has a dedicated Investors’ page on its corporate website. The link to the Investors’ page is: https://www.fmnplc.com/investor-relations and the contact details for our investor relations team is:

Investor Relations: Email - investorrelations@fmnplc.com
Phone: 08054796490, 07056891000, 08099445080

Umolu, Joseph A. O.
Company Secretary / Director, Legal Services