

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the contents of this document or as to any action to be taken, it is recommended that you consult your Stockbroker, Solicitor, Accountant or any other professional adviser duly registered as a capital market operator by the Securities & Exchange Commission.

If you have sold or otherwise transferred all your shares in Flour Mills of Nigeria Plc or Golden Fertilizer Company Limited (as the case may be), you should please hand over this document together with the accompanying Forms of Proxy to the purchaser or transferee or to the stockbroker through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you have sold or transferred only part of your holding of Flour Mills of Nigeria Plc, you should retain this document.

Scheme of External Restructuring

(Under Part XII of the Investment & Securities Act No. 29 2007 and Part 13 of the Rules and Regulations of the Securities and Exchange Commission

For the Proposed External Restructuring

Between



Flour Mills of Nigeria Plc (RC 2343)

And



Golden Fertilizer Company Limited (RC 1503233)

INCORPORATING AN EXPLANATORY STATEMENT

The notices convening the respective Court Ordered Meetings of Flour Mills of Nigeria Plc and Golden Fertilizer Company Limited, are set out at the end of this document. The Proxy Forms are also attached. To be valid, the attached Proxy Forms must be completed, signed and stamped, together with the powers of attorney or other authority, if any, under which it is signed and in accordance with the instructions printed thereon and must reach the Registrar of Flour Mills of Nigeria Plc or the Company Secretary of Golden Fertilizer Company Limited, not later than 24 hours before the time fixed for the respective Court Ordered Meetings.

THE PROPOSALS, WHICH ARE THE SUBJECT OF THE SCHEME OF EXTERNAL RESTRUCTURING SET OUT IN THIS DOCUMENT, HAVE BEEN CLEARED WITH THE SECURITIES AND EXCHANGE COMMISSION. THE ACTIONS THAT YOU ARE REQUIRED TO TAKE ARE SET OUT ON PAGE 11 to 15. NOTICES OF THE MEETINGS TO BE HELD ARE SET OUT ON PAGES 30 TO 33.

FINANCIAL ADVISER



FCMB CAPITAL MARKETS LIMITED
A MEMBER OF FCMB GROUP PLC

RC 446561

This Scheme Document is dated 14 February 2019

	PAGE
Definitions	3
Expected Timetable of principal events	4
Directors and Parties to the Scheme	5
1. Flour Mills of Nigeria Plc	5
2. Golden Fertilizer Company Limited	6
Letter from the Chairman	7
1. Letter from Chairman of Flour Mills of Nigeria Plc	7
2. Letter from the Chairman of Golden Fertilizer Company Limited	10
Explanatory Statement	11
1. Introduction	11
2. Rationale for the Proposal	11
3. The Proposal	12
4. Effects of the Proposal	12
5. Meeting to Approve the Restructuring	14
6. Further Information	14
7. Conclusion and Recommendation	15
<u>Appendices:</u>	
Appendix I – Information Regarding Flour Mills of Nigeria Plc	16
1. Incorporation and Share Capital History	16
2. Shareholding Structure	17
3. Group Structure/Activities	17
4. Directors’ Beneficial Interests	17
5. Flour Mills of Nigeria Plc’s Subsidiaries	18
6. Future prospects	18
7. Claims and Litigation	18
8. Statutory and General Information	19
Appendix II – Information Regarding Golden Fertilizer Company Limited	21
1. Incorporation and Share Capital History	21
2. Shareholding Structure	21
3. Group Structure/Activities	21
4. Directors’ Beneficial Interests	21
5. Golden Fertilizer Company Limited’s Subsidiaries	22
6. Claims and Litigation	22
7. Statutory and General Information	22
Appendix III – Information regarding the Eligible Subsidiaries	23
Appendix IV – Proforma Balance Sheet of Flour Mills & Golden Fertilizer	25
<u>Documents Contained within this Document:</u>	
<input type="checkbox"/> The Scheme of External Restructuring	27
<input type="checkbox"/> Notice of Court Ordered Meetings	30
PROXY FORMS	34

Definitions

In this document, unless otherwise stated or clearly indicated by the context, the following words have the meanings stated opposite them:

- “Act” or “ISA”** - Investment and Securities Act No. 29, 2007
- “Business Day”** - Any day other than a Saturday, Sunday or official public holiday in Nigeria as declared by the Federal Government of Nigeria
- “CAC”** - Corporate Affairs Commission
- “CAMA”** - Companies and Allied Matters Act, Cap C20, LFN 2004
- “Court”** - Federal High Court
- “Court Ordered Meetings” or “Meetings”** - The separate meetings of the shareholders of Flour Mills of Nigeria Plc and Golden Fertilizer Company Limited to be convened pursuant to an Order of Court under Part XII of ISA and Part 13 of the Rules and Regulations of the SEC, of which notices are set out on pages 30 to 33 of this Document, including any adjournment thereof.
- “Court Sanction”** - The Order of Court that sanctions the Scheme
- “CTC”** - Certified True Copy
- “Directors”** - The directors of Flour Mills of Nigeria Plc and Golden Fertilizer Company Limited who comprise those persons whose names are set out on pages 5 to 6 of this Document
- “Effective Date”** - The date on which the Court sanctions the Scheme
- “Eligible Subsidiaries”** - The 13 Agro Allied subsidiaries of Flour Mills involved in the Scheme being Agri Estates Limited, Agri Palm Limited, Best Chickens Limited, Golden Agri Inputs Limited, Independent Grain Handling and Storage Limited, Kaboji Farms Limited, Premier Feed Mills Company Limited, Premium Cassava Products Limited, Premium Edible Oil Products Limited, Serwell Agricultural Services Limited, Shao Golden Farms limited, Sunflag Farms Limited and Upland Grains Production Company Limited.
- “Explanatory Statement”** - The explanatory statement prepared by the Financial Adviser, relating to the Scheme, as set out on pages 11 to 15 of this Document, for the purpose of explaining the terms, conditions and effects of the Scheme
- “Financial Adviser”** - FCMB Capital Markets Limited
- “Flour Mills” or the “Company”** - Flour Mills of Nigeria Plc
- “Flour Mills Group”** - Flour Mills of Nigeria Plc and its subsidiaries
- “Golden Fertilizer” or “GFC”** - Golden Fertilizer Company Limited
- “Golden Fertilizer Division”** - The division of Flour Mills, undertaking the fertilizer business
- “LFN”** - Laws of the Federation of Nigeria
- “Proxy Form”** - Any of the proxy forms attached to this Document for use in connection with the Court Ordered Meetings
- “Scheme”** - The proposed Scheme of External Restructuring between Flour Mills and Golden Fertilizer, pursuant to Part XII of ISA, Part 13 of the Rules and Regulations of the SEC, in consequence of which Flour Mills shall transfer all of its fertilizer business’ assets, liabilities and undertakings including real property, intellectual property rights to Golden Fertilizer; and also transfer all its equity shareholdings in the Eligible Subsidiaries to Golden Fertilizer, as set out on pages 27 to 29 of this Document, in its present form or subject to any modification, addition or condition approved or imposed by the SEC or the Court
- “Scheme Document” or “Document”** - This bound document dated 14 February 2019, which includes the Scheme, the Explanatory Statement, the respective Notices of Court Ordered Meetings and the various appendices therein.
- “SEC” or “the Commission”** - Securities and Exchange Commission

Indicative Timelines

EVENTS	DATES
Publish notices of Court Ordered Meetings in national newspapers	21 February 2019
Latest date for lodging Proxy Forms	5 March 2019
Hold Court Ordered Meetings of Flour Mills and Golden Fertilizer	6 March 2019
File returns of Court Ordered Meeting with CAC and SEC	8 March 2019
Obtain the SEC's formal approval of the Scheme	15 March 2019
File petition to the Court for Order sanctioning Scheme	18 March 2019
Obtain Court Sanction of Scheme (Effective Date)	20 March 2019
Obtain CTC of Court Sanction of Scheme	21 March 2019
Register CTC of Court Sanction with CAC	22 March 2019
File CTC of Court sanction with the SEC and the NSE	22 March 2019
Submit copy of Court Sanction for publication in the Federal Gazette	22 March 2019
Publish copy of Court Sanction in two national newspapers/gazette	27 March 2019
File Summary Report with the SEC	3 April 2019

Important Notice:

The dates given above are indicative only. The timetable of principal events has been prepared on the assumption that Court dates for the Scheme will be available as and when applied for; if not, the dates surrounding key events in the timetable may be subject to a corresponding adjustment.

Directors and Parties to the Scheme

Flour Mills of Nigeria Plc

Directors: **Mr. John George Coumantaros (Chairman)**
1 Golden Penny Place
Wharf Road,
Apapa, Lagos

Dr. (Chief) Emmanuel Akwari Ukpabi (KJW)
1 Golden Penny Place
Wharf Road,
Apapa, Lagos

Mr. Paul Miyonmide Gbededo (Group MD)
1 Golden Penny Place
Wharf Road,
Apapa, Lagos

Alhaji Yunus Olalekan Saliu
1 Golden Penny Place
Wharf Road,
Apapa, Lagos

Alhaji Abdullahi A. Abba
1 Golden Penny Place
Wharf Road,
Apapa, Lagos

Mrs. Salamatu Hussaini Suleiman
1 Golden Penny Place
Wharf Road,
Apapa, Lagos

Prof. Jerry Gana, CON
1 Golden Penny Place
Wharf Road,
Apapa, Lagos

Alhaji Rabiw M. Gwarzo, OON
1 Golden Penny Place
Wharf Road,
Apapa, Lagos

Mr. Ioannis Katsaounis
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Wharf Road,
Apapa, Lagos

Mr. Atedo N. A. Peterside, CON
1 Golden Penny Place
Wharf Road,
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Mr. Foluso O. Phillips
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Apapa, Lagos

Mr. Alfonso Garate
1 Golden Penny Place
Wharf Road,
Apapa, Lagos

Mr. Folarin R. A. Williams Jnr.
1 Golden Penny Place
Wharf Road,
Apapa, Lagos

Mr. Athanasios George Mazarakis
1 Golden Penny Place
Apapa, Lagos

Mr. Joseph Odion Umolu
1 Golden Penny Place
Wharf Road,
Apapa, Lagos

**Company
Secretary:
Registered
Office:**

**Financial
Adviser:**

Legal Adviser:

FCMB Capital Markets Limited
First City Plaza (6th Floor)
44 Marina
Lagos

KB & Company
(Barristers & Solicitors)
Mandilas House (7th Floor)
35 Simpson Street
Marina, Lagos

Directors and Parties to the Scheme

Golden Fertilizer Company Limited

Directors: **Mr. Paul Miyonmide Gbededo (Chairman)**
1 Golden Penny Place
Wharf Road,
Apapa, Lagos

Olusegun Adetokunbo Falade
1 Golden Penny Place
Wharf Road,
Apapa, Lagos

Joseph Odion Umolu
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Abubakar Sadiq Usman
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Apapa, Lagos

Nassib Raffoul
1 Golden Penny Place
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Apapa, Lagos

Anders Kristiansson
1 Golden Penny Place
Wharf Road,
Apapa, Lagos

Company Secretary: **Mr. Joseph Odion Umolu**

Registered Office: 1 Golden Penny Place
Wharf Road,
Apapa, Lagos

Financial Adviser: **FCMB Capital Markets Limited**
First City Plaza (6th Floor)
44 Marina
Lagos

Legal Adviser: **KB & Company**
Barristers and Solicitors
Mandilas House (7th Floor)
35 Simpson Street
Marina, Lagos

Letter from the Chairman of Flour Mills of Nigeria Plc

The following is the text of a letter from the Chairman, Mr. John George Coumantaros, on behalf of the Board of Directors of Flour Mills of Nigeria Plc.

14 February 2019

To the shareholders of Flour Mills

Dear Sir/Madam,

The Proposed Scheme of External Restructuring between Flour Mills of Nigeria Plc ("Flour Mills" or the "Company") and Golden Fertilizer Company Limited ("Golden Fertilizer")

Following detailed deliberations on ways to improve the operations of your company, the Board considered the option of restructuring the operations of Flour Mills along its core business functions/business value chains, for greater efficiency and effectiveness. Accordingly, it has been considered most appropriate and efficient to restructure the operations of the Company, such that, all the agro allied businesses will operate under a wholly owned Agro Allied holding company. Therefore, Flour Mills will be structured along core four business value chains:

- Foods value chain: involves flour milling, production of pasta and noodles.
- Sugar value chain involves cultivating, processing, refining and selling of sugar.
- Agro Allied value chain: involves livestock husbandry, production of livestock feeds, sale of fertilizer, edible oil, farming and other agro-allied activities
- Support value chain: involves the manufacturing and sales of laminated woven polypropylene sacks and flexible packaging materials, operations of terminals A and B at Apapa Port, customs clearing, forwarding agents, shipping agents and logistics, haulage and real estate.

To achieve the above, it is proposed that,

- a) Golden Fertilizer Division be spun off from Flour Mills
- b) The agro allied related subsidiaries be transferred to GFC, such that GFC emerges as the holding company for the agro allied business value chain.

Accordingly, all the assets and liabilities and undertakings of Golden Fertilizer Division, be identified and carved out (transferred) to Golden Fertilizer at Book Value. Furthermore, all Flour Mills' shareholdings in each of the identified 13 agro allied subsidiaries (Eligible Subsidiaries) be transferred to Golden Fertilizer, at Book Value.

It is proposed that the restructuring be effected through a Scheme of External Restructuring (the "Scheme") under Part XII of the Investment and Securities Act No 29 of 2007 (ISA), and Part 13 of the Rules and Regulations of the SEC.

Flour Mills of Nigeria Plc was incorporated on 29 September 1960 as a private limited liability company and commenced operations in 1962 with an installed flour milling capacity of 500 metric tonnes per day. In 1978, Flour Mills was converted to a public limited liability company and its shares were subsequently listed on The Nigerian Stock Exchange. Today, Flour Mills is the largest flour milling company in Nigeria with an installed flour milling capacity of approximately 2.9 million metric tonnes per annum. Flour Mills continues to evolve from a food focused business to a food and agro-allied company.

In 2012, Flour Mills commenced implementing its backward integration programs through its agro-allied business initiatives, primarily to support its core food business. The Company has continued to pursue strategic business opportunities, such as capacity expansion and realignment of its core food business whilst backwardly integrating in order to further mitigate reliance on imports and exposure to external volatility in the food business by increasing local content in a substantive and sustainable way.

Letter from the Chairman of Flour Mills of Nigeria Plc

Golden Fertilizer was incorporated as a private limited liability company in 14 June 2018 with an authorised and issued share capital of ₦20 million. The company is a wholly owned subsidiary of Flour Mills.

Future Plans

Flour Mills Group remains, primarily, a Foods and Agro Allied group, with interests in food processing and agro allied businesses, across the entire value chain comprising Grains, Sweeteners, Oil and Fats, Starches and Protein.

Benefits of the Restructuring

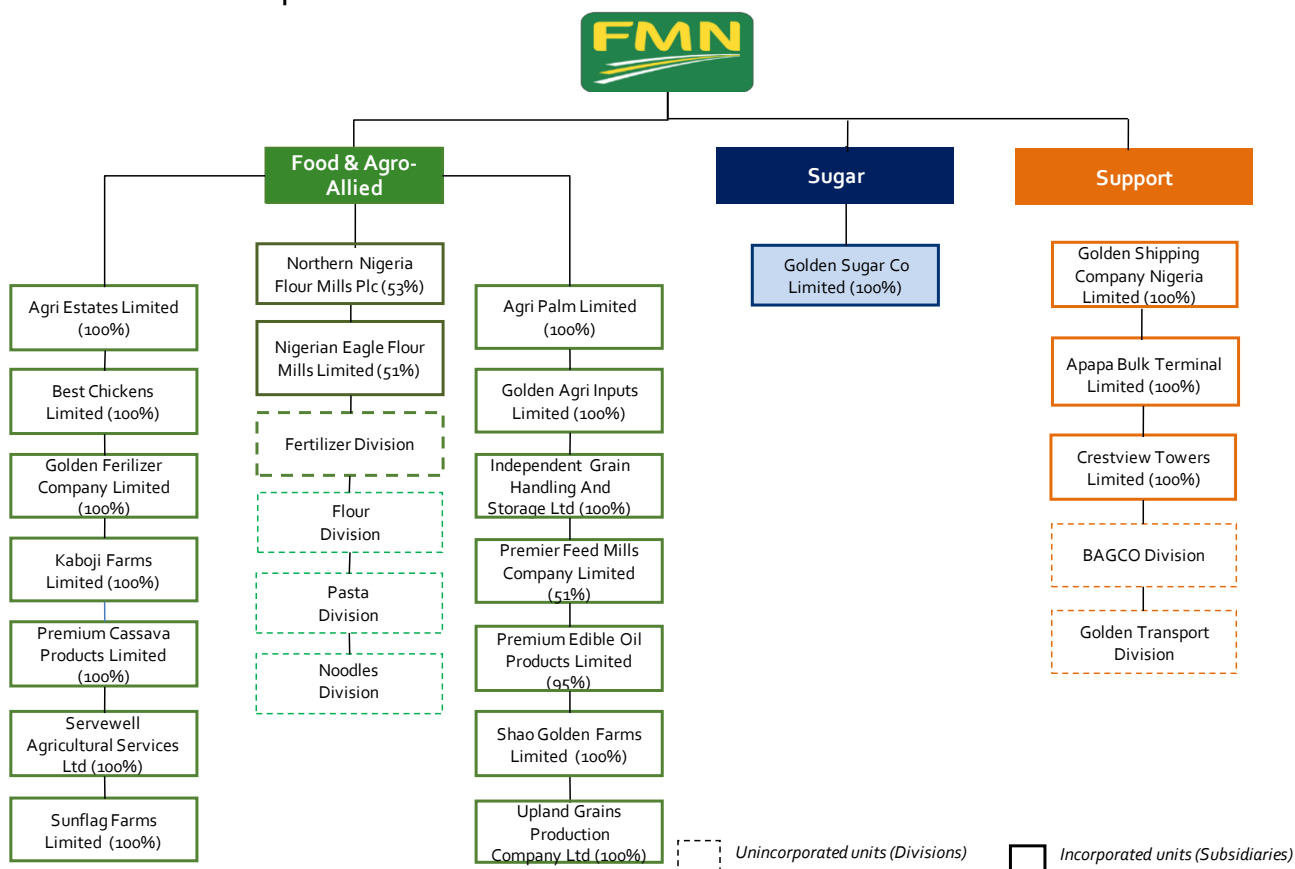
Post Scheme, Golden Fertilizer Division will exist as a separate legal entity, Golden Fertilizer, which is 100% owned by Flour Mills. Golden Fertilizer will also serve as the holding company for the agro allied businesses hitherto owned by Flour Mills.

The proposed restructuring will

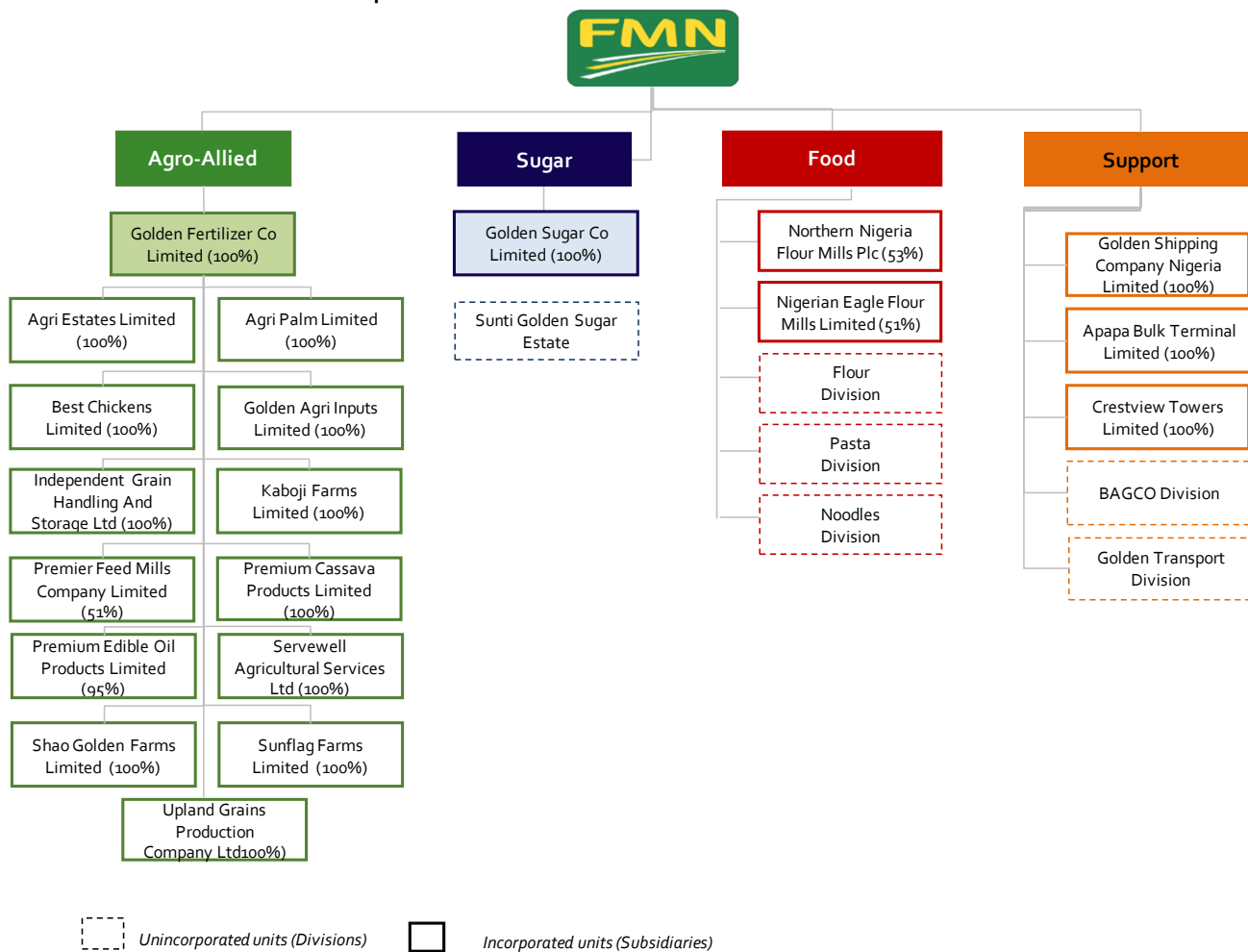
- enable each of the business value chains in Flour Mills Group to target appropriate investors and markets, attracted to the specific businesses;
- increase the capital allocation capacity and flexibility of the Flour Mills Group, as each business value chain will be able to attract new capital targeted at the specific opportunities of the respective businesses;
- allow each business value chain to focus on its core market, and effectively grow market share;
- create a platform to potentially unlock value;
- allow for uniformity and ease of comparison with competitors’ respective sectors. This leads to a better understanding of the independent and related groups by analysts and investors, therefore ensuring better value ascribed to the businesses; and,
- ensure shareholder value maximization because of a more effective and efficient utilization of resources.

The current and post-Scheme Flour Mills Group structure is reflected in the figure below:

Current Flour Mills Group Structure



Post Transaction Flour Mills Group Structure



As part of the Scheme, your Board has engaged the services of FCMB Capital Markets Limited and KB & Company as Financial Adviser and Solicitors respectively, to guide the company in the restructuring process.

We are pleased to inform you that preliminary approvals for the Scheme have been received from the Securities & Exchange Commission. The Scheme will be presented for your consideration and approval at a Court Ordered Meeting ("Meeting") to be held on 6th March 2019. You will find on pages 11 to 15 of the Scheme Document, an Explanatory Statement containing details of the terms and effects of the Scheme.

Your Board consider the proposal as fair, reasonable and in the best interest of the Company. Therefore, your Board of Directors, unanimously recommend that you vote in favour of the sub-joined resolutions, which are to be proposed at the Court Ordered Meeting on 6th March 2019.

If you are unable to attend the meeting personally, please complete and return the enclosed Proxy Form in accordance with the instructions there on. Kindly note that the lodging of a Proxy Form does not prevent you from attending and voting in person, should you subsequently decide to do so. However, in such instance, your proxy will not be entitled to attend or vote.

We look forward to welcoming you or your proxy to the Meeting.

Yours faithfully,

Mr. John George Coumantaros
 Chairman, Flour Mills of Nigeria Plc

Letter from the Chairman of Golden Fertilizer Company Limited

The following is the text of a letter from the Chairman, Mr. Paul Miyonmide Gbededo, on behalf of the Board of Directors of Golden Fertilizer Company Limited.

14 February 2019

To all shareholders of Golden Fertilizer Company Limited

Introduction

The Board of Directors of your company and that of Flour Mills have been holding discussions regarding a proposal under the terms of which Flour Mills will transfer all its assets, liabilities and undertakings relating to its fertilizer business to your company. Furthermore, Flour Mills will transfer its equity interests in the Eligible Subsidiaries to your company. Golden Fertilizer will therefore emerge as a wholly owned subsidiary of Flour Mills, carrying on the fertilizer business, and also serve as a holding company for all agro allied businesses hitherto under Flour Mills Group.

This restructuring will be effected through a Scheme of External Restructuring under Part XI of the Act and Part 13 of the Rules and Regulations of the SEC. Both companies have filed an application with the SEC and have received the requisite approval to proceed from the regulatory authority.

Background

Golden Fertilizer Company Limited was incorporated on 14 June 2018 as a private limited liability company with an initial authorized share capital of ₦10,000,000 made up of 20,000,000 ordinary shares of ₦0.50 each. The fertilizer business of Flour Mills, unlike its other lines of business (e.g. Sugar, Ports, etc.) does not exist as a stand-alone entity, and as such, it limits Flour Mills' flexibility in raising funds as and when the need arises.

Benefits/Effects of the Restructuring

Upon the Scheme coming into effect, the entire fertilizer business (fertilizer division) of Flour Mills, that is, the assets, liabilities and undertakings attached to the fertilizer business will be transferred to Golden Fertilizer Company Limited. Furthermore, the equity interests in the Eligible Subsidiaries owned by Flour Mills will be transferred to Golden Fertilizer.

Golden Fertilizer will then continue the business of the fertilizer division of Flour Mills; as a wholly owned subsidiary, and the agro allied group, of Flour Mills.

As an integral aspect of the Scheme process, a Court-Ordered Meeting will be held on 6th March 2019, during which the terms and conditions of the Scheme will be presented for your consideration and formal approval. An Explanatory Statement detailing the terms, conditions and effects of the Scheme are contained on pages 11 to 15 of this Document.

Recommendation

Your Board of Directors considers the terms of the proposal fair, reasonable and in the best interest of Golden Fertilizer. Therefore, your Board of Directors unanimously recommends that you vote in favour of the sub-joined resolutions, which is to be proposed at the Court-Ordered Meeting on 6th March 2019.

Yours faithfully,



Mr. Paul Miyonmide Gbededo
Chairman, Golden Fertilizer Company Limited

Explanatory Statement to the Shareholders of Flour Mills of Nigeria Plc and Golden Fertilizer Company Limited

The definitions on pages 3 of this Scheme Document apply throughout this Explanatory Statement



FCMB CAPITAL MARKETS LIMITED
A MEMBER OF FCMB GROUP PLC

RC 446561

FIRST CITY PLAZA, 44 Marina
P.O. BOX 9117
Lagos, Nigeria
Tel: 2641296. 4612620: Facsimile 2665126

14 February 2019

Dear Sir/Madam,

The Proposed Scheme of External Restructuring between Flour Mills of Nigeria Plc (the "Company") and Golden Fertilizer Company Limited

Introduction

You would have been informed by the letters from your respective Chairmen, presented on pages 7 to 10 of this Document, of the ongoing discussions between the Board of Flour Mills and Golden Fertilizer regarding the transfer of the assets, liabilities and undertakings of Flour Mills' fertilizer's business, as well as the transfer of Flour Mills' equity interest in the Eligible Subsidiaries, to Golden Fertilizer, a wholly owned subsidiary of Flour Mills, by way of a Scheme of External Restructuring, to be effected pursuant to Part XII of the ISA, and in accordance with Part I3 of the Rules and Regulations of the SEC. The terms and conditions of the Scheme will be considered by you at the Court Ordered Meeting.

We have been authorised to write to you to explain the Scheme, which is set out in full on pages 27 to 29 of this Document and to provide you with other relevant information, which is summarised below:

Rationale for the Proposal

The principal reason for the restructuring is the need to improve operating efficiency and enhance shareholder value because of the expected improved profitability.

The proposed restructuring will:

- enable each of the business value chains under Flour Mills Group to target appropriate investors and markets attracted to the specific businesses;
- increase the capital allocation capacity and flexibility of the Flour Mills Group, as each business value chain will be able to attract new capital targeted at the specific opportunities of the respective businesses;
- allow each business value chain to focus on its core market, and effectively grow market share;
- allow for uniformity and ease of comparison of each business value chain with competitors' in their respective sectors. This enables a better understanding of the independent and related groups by analysts and investors, therefore ensuring better value ascribed to the businesses;
- enable shareholder value maximization because of a more effective and efficient utilization of resources;

Explanatory Statement

The Proposal

a. Consideration

It is proposed that all the assets, liabilities and undertakings, including real properties and intellectual property rights attaching to the fertilizer business in Flour Mills, with a net asset value of ₦1,663,478,141 as at 30 September 2018, be transferred to Golden Fertilizer.

It is proposed that, Flour Mills' investment in the Eligible Subsidiaries, totaling ₦34,360,693,000 as at 30 September 2018, be transferred to Golden Fertilizer.

As Golden Fertilizer is a wholly owned subsidiary of Flour Mills, there shall be no consideration for the transaction [from Golden Fertilizer to Flour Mills for the transfer of both the fertilizer business as well as the equity holding in the Eligible Subsidiaries], as it is impracticable and superfluous for Flour Mills to pay itself *for shares which it already owns*.

Under the terms of the restructuring, it has been proposed that the assumption of the entire liabilities of fertilizer division of Flour Mills by Golden Fertilizer shall be the consideration for the transfer of the entire assets and business undertakings of the fertilizer division.

b. Provision for Dissenting Shareholders

Given that Golden Fertilizer is already wholly owned by Flour Mills, there is no requirement to provide for any dissenting shareholders.

c. Conditions Precedent

The Scheme shall become effective and binding on Flour Mills and Golden Fertilizer if:

- a) It is ratified, with or without modification, by a majority representing three-quarters in value of the shareholders of each of Flour Mills and Golden Fertilizer, present and voting at the respective Court Ordered Meetings.
- b) The Court sanctions the Scheme with orders to the effect that:
 - i. assets, liabilities and undertakings, including real properties and intellectual property rights attaching to the fertilizer business in Flour Mills, with a net asset value of ₦1,663,478,141 as at 30 September 2018, be transferred to Golden Fertilizer, as provided in the Scheme;
 - ii. All Flour Mills equity interests in the Eligible Subsidiaries be transferred to Golden Fertilizer, as provided in the Scheme;

Effects of the Proposal

The restructuring is expected to provide the following benefits:

- enable each of the business value chains under Flour Mills Group to target appropriate investors and markets attracted to the specific businesses;
- increase the capital allocation capacity and flexibility of the Flour Mills Group, as each business value chain will be able to attract new capital targeted at the specific opportunities of the respective businesses;
- allow each business value chain to focus on its core market, and effectively grow market share;

Explanatory Statement

- allow for uniformity and ease of comparison of each the business value chain with competitors' in their respective sectors. This enables a better understanding of the independent and related groups by analysts and investors, therefore ensuring better value ascribed to the businesses; and,
- enable shareholder value maximization because of a more effective and efficient utilization of resources.

Financial Effects of the Restructuring

Shareholders Fund as at 30 September 2018	Pre-Scheme (R)	Capital Redistribution (R)			Post Scheme (R)
		Spin-Off of Fertilizer Division	Investment in Agro-Allied Subsidiaries	Investment in Golden Fertilizer	
Flour Mills (Company)	153,276,098,000	(1,663,478,141)	(34,360,693,000)	36,024,171,141	153,276,098,000

Other Effects of the restructuring:

i. Employees of Golden Fertilizer

Following the restructuring, the operations of Golden Fertilizer will continue essentially in the same manner as prior to the restructuring, albeit now as a standalone company. As such, we do not anticipate the restructuring to have any significant impact on the number of people currently employed by Flour Mills in its fertilizer division, and on their terms and conditions of employment.

On the contrary, we expect that there will be more opportunities for employment, as different roles will be created by virtue of an incorporated entity carrying on the fertilizer business of Flour Mills. We expect Golden Fertilizer to incorporate its governance structure, its board of directors etc, and recruit resources accordingly. The benefits and interests of the employees of fertilizer business of Flour Mills will therefore not be prejudiced as a result of the restructuring.

ii. Assets and Liabilities

All assets, liabilities and undertakings, including real property and intellectual property rights of Flour Mills' fertilizer division shall be transferred to Golden Fertilizer.

A summary of the value of assets and liabilities of Flour Mills to be transferred to Golden Fertilizer is provided below:

	Amount (R'000)
Non-Current Assets	1,319,428
Current Assets	7,324,496
Total Assets	8,643,924
Non-Current Liabilities	500,000
Current Liabilities	6,480,446
Total Liabilities	6,980,446
Net Assets	1,663,478

Explanatory Statement

Furthermore, all Flour Mills' equity interests in the Eligible Subsidiaries shall be transferred to Golden Fertilizer.

iii. Competition

The restructuring will not increase Flour Mills' market share, nor the number of participants in the fertilizer sector. We expect however, that market share of Golden Fertilizer to increase over the medium to long term, because of the benefits of the restructuring. The resultant impact is the enhancement of profitability for the benefits of stakeholders.

iv. Penalty, Litigation/Claims against the Golden Fertilizer

All legal proceedings, claims, and pending or contemplated litigation relating to the fertilizer division of Flour Mills shall be continued by or against Golden Fertilizer. All the pending claims against any of the Eligible Subsidiaries shall continue against them as each of the Eligible Subsidiaries will remain as legal entities and as going concerns after the completion of the Scheme.

v. Capital Gains Tax

No Capital Gains Tax ("CGT") is payable on a disposal of shares by virtue of Section 32A of the Capital Gains Tax Act - CAP 42 LFN 1990 ("CGT Act"). No stamp duty will be payable by any Flour Mills shareholder upon the Scheme becoming effective.

Meeting to Approve the Restructuring

Separate meetings of the shareholders of Flour Mills and Golden Fertilizer will be convened by an Order of the Court for the purpose of considering and if thought fit, approving the Scheme.

The appropriate Proxy Form for the Court Ordered Meetings to be conducted by each of your companies would be circulated. If you are unable to attend the Meeting of your company in person, you should complete the Proxy Form in accordance with the instructions thereon and return it to the respective Company Secretary, no later than twenty-four (24) hours before the meeting.

At the respective Court Ordered Meetings, voting on the resolutions relating to the approval of the restructuring will be by poll. Each shareholder present in person or by proxy will be entitled to one vote for every share held. The statutory majority required to pass these resolutions at these Court Ordered Meetings is a majority representing not less than three quarters in value of the shares of members present and voting either in person or by proxy.

Notices of the respective Court Ordered Meetings are set out on Pages 30 to 33 of this Document.

Further Information

The following information is contained within this Document.

Appendix I: Information regarding Flour Mills on pages 16 to 20

Appendix II: Information regarding Golden Fertilizer on pages 21 to 22

Appendix III: Information regarding the Eligible subsidiaries on pages 23 to 24

Appendix IV: Proforma Financial Statement for Flour Mills & Golden Fertilizer on pages 25 to 26

Notices of the Scheme Meetings on pages 30 to 33

Explanatory Statement

Shareholders are encouraged to read the entire Scheme Document and not just rely on the summarized information set out in this Explanatory Statement or in other parts of the Scheme Document.

Conclusion and Recommendation

Your Directors and your Financial Adviser, having considered the terms and conditions of the Scheme, as well as the benefits thereof, recommend that you vote in favour of the sub-joined resolutions, which will be proposed at your respective Court Ordered Meetings.

Yours faithfully,
For the Financial Adviser



Tolu Osinibi
Executive Director

Appendix I – Information Regarding Flour Mills

1. Incorporation and Share Capital History

Flour Mills was incorporated as a limited liability company on 29 September 1960 with a share capital of ₦ 1,000,000 and was converted to a public limited liability company in November 1978. The Company currently has an authorised share capital of ₦2,500,000,000 comprising 5,000,000,000 Ordinary Shares of 50 kobo each, while its issued and paid-up share capital is ₦2,050,197,803.00 comprising 4,100,395,606 Ordinary Shares of 50 kobo each.

The following changes have taken place in Flour Mills authorised and issued share capital since the shares were first quoted on The Nigerian Stock Exchange.

Year	Authorised (₦)		Issued & Fully Paid-up (₦)		Consideration
	Increase	Cumulative	Increase	Cumulative	
1979	-	15,000,000	8,000,000	15,000,000	
1980	10,000,000	25,000,000	-	15,000,000	
1980	-	25,000,000	10,000,000	25,000,000	Scrip 2:3
1984	7,500,000	32,500,000	-	25,000,000	
1985	-	32,500,000	7,500,000	32,500,000	Scrip 3:10
1993	65,000,000	97,500,000	-	32,500,000	
1994	-	97,500,000	65,000,000	97,500,000	Scrip 2:1
1996	152,500,000	250,000,000	-	97,500,000	
1996	-	250,000,000	32,500,000	130,000,000	Scrip 1:3
1996	-	250,000,000	65,00,000	195,000,000	Scrip 1:2
1999	100,000,000	350,000,000	-	195,000,000	
2000	0	350,000,000	78,000,000	273,000,000	Cash
2002	150,000,000	500,000,000	-	273,000,000	
2003	-	500,000,000	91,000,000	364,000,000	Scrip 1:3
2005	-	1,000,000,000	218,400,000	582,400,000	Rights issue 3 for 5
2006	-	1,000,000,000	194,133,334	776,533,334	Scrip 1:3
2008	-	1,000,000,000	854,186,668	854,186,668	Scrip 1:10
2010	-	1,000,000,000	77,653,334	939,605,334	Scrip 1:10
2011	1,000,000,000	2,000,000,000	-	939,605,334	
2012	-	2,000,000,000	227,783,111	1,167,388,445	Rights Issue 8 for 33
2013	-	2,000,000,000	25,453,913	1,192,842,358	BAGCO and Niger Mills Merger
2014	-	2,000,000,000	-	1,192,842,358	
2015	-	2,000,000,000	119,284,236	1,312,126,594	Scrip 1:10
2016	-	2,000,000,000	-	1,312,126,690	
2017	500,000,000	2,500,000,000	-	1,312,126,690	
2018	-	2,500,000,000	738,071,000	2,050,197,803	Rights Issue

Appendix I – Information Regarding Flour Mills

2. Shareholding Structure

As at the date of this Scheme Document, Flour Mills' issued share capital of 4,100,395,606 ordinary shares of 50 kobo each was beneficially held as follows:

Shareholders	No. of Shares	% Holding
Excelsior Shipping Company Limited	2,242,727,580	54.70%
Others	1,857,668,026	45.30%
Total	4,100,395,606	100.00

3. Group Structure/Activities

Flour Mills is a fully vertically integrated food company primarily engaged in food processing and agro allied businesses.

4. Directors' Beneficial Interests

As at 31 March 2018, the interests of Flour Mills' Directors in the issued share capital of the Company as disclosed in the register of members and as notified by them for the purpose of Section 275(1) of CAMA, were as follows:

Directors	Shareholding (Direct)	Shareholding (Indirect)	Shareholding (%)
Mr. John George Coumantaros	Nil	Nil	Nil
Dr (Chief) Emmanuel A Ukpabi (KJW)	6,554,665	Nil	0.1599
Mr. Paul Miyonmide Gbededo	2,720,109	Nil	0.0663
Alhaji Abdullahi Ardo Abba	12,343	Nil	0.0003
Professor Jerry Gana, CON	68,750	Nil	0.0017
Mr Alfonso Garate	Nil	Nil	Nil
Alhaji Rabiu Muhammad Gwarzo, OON	199,722	Nil	0.0049
Mr Ioannis Katsaounis	3,241,950	8,295,673	0.2814
Mr Thanassis Mazarakis	Nil	Nil	Nil
Mr Atedo Peterside, CON	Nil	2,500,000	0.0610
Mr Foluso O Phillips	Nil	Nil	Nil
Alhaji Yunus Olalekan Salu	1,668,985	Nil	0.0407
Mr Folarin Rotimi Abiola Williams	30,082	Nil	0.0007
Mrs Salamatu Hussaini Suleiman	Nil	Nil	Nil

Appendix I – Information Regarding Flour Mills

5. Subsidiaries

As at the date of this Document, Flour Mills had 20 active subsidiaries

Subsidiaries	% Shareholding
Apapa Bulk Terminal Limited	100%
Agri Estates Limited	100%
Agri Palm Limited	100%
Best Chickens Limited	100%
Crestview Towers Limited	100%
Golden Agri Inputs Limited	100%
Golden Shipping Company Nigeria Limited	100%
Golden Sugar Company Limited	100%
Independent Grain Handling And Storage Limited	100%
Kaboji Farms Limited	100%
Northern Nigeria Flour Mills Plc	53%
Nigerian Eagle Flour Mills Limited	51%
Olympic Towers Limited	100%
Premier Feed Mills Company Limited	51%
Premium Edible Oil Products Limited	95%
Premium Cassava Products Limited	100%
Servewell Agricultural Services Limited	100%
Shao Golden Farms Limited	100%
Sunflag Farms Limited	100%
Upland Grains Production Company Limited	100%

6. Future Prospects

During the last few years, Flour Mills made significant capital investments especially in its backward integration project, distribution network, brand marketing and packaging. These investments are expected to help the company grow its market share and ultimately improve the bottom line for all stakeholders.

7. Claims and Litigation

In the ordinary course of its business, Flour Mills is currently involved in twenty-nine (29) suits out of which (19) are against Flour Mills and ten (10) are suits instituted by Flour Mills.

The total amount claimed in the suits instituted against Flour Mills is in the sum of ₦1,276,939,496.27 (One Billion, Two Hundred and Seventy-Six Million Nine Hundred and Thirty-Nine Thousand, Four Hundred and Ninety-Six-naira, Twenty-Seven kobo only).

The total amount being claimed by Flour Mills in the suits instituted by Flour Mills is in the sum of ₦188,944,980.79 (One Hundred and Eighty-Eight Million, Nine Hundred and Forty-Four Thousand, Nine Hundred and Eighty Naira, Seventy-Nine Kobo only)

Appendix I – Information Regarding Flour Mills

The Solicitor to the Scheme is of the opinion that the contingent liability to which Flour Mills may likely be exposed in respect of the suits instituted against the company is approximately in the sum of ₦251,028,402.40 (Two Hundred and Fifty-One Million and Twenty Eight Thousand, Four Hundred and Two naira, Forty kobo only).

Except as stated above, the Solicitor to the Scheme is not aware of any other pending or threatened claims involving Flour Mills which are material to the proposed Scheme. The Solicitor to the Scheme are also of the opinion that none of the cases referred to above is likely to have any material adverse effect on Flour Mills or the proposed Scheme.

The directors of Flour Mills are of the opinion that none of the aforementioned suits pending against the company is likely to have a material adverse effect on the company and or the Scheme and are not aware of any other pending and, or threatened claims or litigation which may be material to the Scheme.

8. Statutory and General Information

A. Responsibility Statement

The information contained in this Scheme Document in relation to Flour Mills have been supplied by Flour Mills' directors. The directors have taken all reasonable care to ensure that the facts stated, and opinions expressed in this Scheme Document with regards to Flour Mills, are fair and accurate and that no material fact concerning Flour Mills has been omitted. The directors accept responsibility accordingly.

B. Consents

The following have given, and not withdrawn, their consent to the references to their names in the form and context in which they appear in this Scheme Document:

Directors:

- Mr John G. Coumantaros
- Dr (Chief) Emmanuel Akwari Ukpabi (KJW)
- Mr Paul M. Gbededo
- Alhaji Abdullahi Ardo Abba
- Professor Jerry Gana, CON
- Mr Alfonso Garate
- Alhaji Rabi Muhammad Gwarzo, OON
- Mr Ioannis Katsaounis
- Mr Athanasios George Mazarakis
- Mr Atedo Nari Atowari Peterside, CON
- Mr Foluso O. Phillips
- Alhaji Yunus Olalekan A. Saliu
- Mr Folarin Rotimi Abiola Williams
- Mrs Salamatu Hussaini Suleiman

Company Secretary: Mr Joseph Odion Umolu

Financial Adviser: FCMB Capital Markets Limited

Legal Adviser: KB & Co

Appendix I – Information Regarding Flour Mills

C. Documents available for inspection

Copies of the following documents may be inspected at the offices of FCMB Capital Markets Limited at 6th Floor, First City Plaza, 44 Marina, Lagos during normal business hours on any Business Day, until the Effective Date.

- i) The Certificate of Incorporation of Flour Mills;
- ii) The Memorandum and Articles of Association of Flour Mills;
- iii) The order of the Court convening the meeting of the holders of the ordinary shares of Flour Mills;
- iv) The signed Explanatory Statement;
- v) The audited financial statements of International Breweries for each of the preceding three years from 31 March 2016 to 31 March 2018;
- vi) Schedule of Claims & Litigation referred to on page 18 above;
- vii) The material contracts to the Scheme: Financial Advisory Services Agreement between Flour Mills, Golden Fertilizer and FCMB Capital Markets Limited;
- viii) The schedule of assets and liabilities (with their values) to be transferred to Golden Fertilizer; and
- ix) The written consents referred to on page 19 above.

Appendix II – Information Regarding Golden Fertilizer

1. Incorporation and Share Capital History

Golden Fertilizer Company Limited was incorporated as a private limited liability company in 14 June 2018 with an authorised and issued share capital of ₦10,000,000.

The following changes have taken place in Golden Fertilizer's authorised and issued share capital since incorporation

Date	Authorised (₦)		Issued and fully paid (₦)		Consideration
	Increase	Cumulative	Increase	Cumulative	
14 July 2018	10,000,000	10,000,000	10,000,000	10,000,000	Cash

2. Shareholding Structure

As at the date of this Scheme Document, the 20,000,000 ordinary shares of 50 kobo each in the issued share capital of Golden Fertilizer were beneficially held as follows:

Shareholders	No. of Shares	% Holding
Flour Mills of Nigeria Plc	19,999,999	100%
Mr. Paul Miyonmide Gbededo	1	-
Total	20,000,000	100.00

3. Group Structure/Activities

The company will continue the business of the erstwhile Golden Fertilizer Division.

4. Directors' Beneficial Interests

As at the date of this Scheme Document, the interests of Golden Fertilizer's directors in the issued share capital of Golden Fertilizer as disclosed in the register of members and as notified by them for the purpose of Section 275(1) of CAMA, were as follows:

Directors	Shareholding	Shareholding (%)
Mr. Paul Miyonmide Gbededo	1	0.00
Mr. Olusegun Adetokunbo Falade	0	0.00
Mr. Joseph Odion Umolu	0	0.00
Mr. Abubakar Sadiq Usman	0	0.00
Mr. Nassib Raffoul	0	0.00
Mr. Anders Kristiansson	0	0.00

Save as disclosed, none of the directors of Golden Fertilizer has notified the company of any disclosable interests in its share capital.

Appendix II – Information Regarding Golden Fertilizer

5. Golden Fertilizer’s Subsidiaries

As at the date of this Scheme Document, Golden Fertilizer did not have any subsidiary.

6. Claims and Litigation

As at the date of this Document, Golden Fertilizer is currently not involved in any lawsuit.

7. Statutory and General Information

A. Responsibility Statement

The information contained in this Scheme Document in relation to Golden Fertilizer have been supplied by Golden Fertilizer’s directors. The directors have taken all reasonable care to ensure that the facts stated and opinions expressed in this Scheme Document with regards to Golden Fertilizer, are fair and accurate and that no material fact concerning Golden Fertilizer has been omitted. The directors accept responsibility accordingly.

B. Consents

The following have given, and not withdrawn, their consent to the references to their names in the form and context in which they appear in Scheme Document:

Directors:

- Mr. Paul Miyonmide Gbededo
- Mr. Olusegun Adetokunbo Falade
- Mr. Joseph Odion Umolu
- Mr. Abubakar Sadiq Usman
- Mr. Nassib Raffoul
- Mr. Anders Kristiansson

Company Secretary: Mr. Joseph Odion Umolu

Financial Adviser: FCMB Capital Markets Limited

Legal Adviser: KB & Company

C. Documents available for inspection

Copies of the following documents may be inspected at the offices of FCMB Capital Markets Limited at 6th Floor, First City Plaza, 44 Marina, Lagos during normal business hours on any Business Day, until the Effective Date.

- i) The Certificate of Incorporation of Golden Fertilizer;
- ii) The Memorandum and Articles of Association of Golden Fertilizer;
- iii) The order of the Court convening the meeting of the holders of the ordinary shares of Golden Fertilizer;
- iv) The signed Explanatory Statement;
- v) The material contracts to the Scheme: Financial Advisory Services Agreement between Flour Mills, Golden Fertilizer and FCMB Capital Markets Limited;
- vi) The schedule of assets and liabilities (with their values) to be transferred from Flour Mills; and
- vii) The written consents referred to above.

Appendix III – Information regarding the Eligible Subsidiaries

The corporate information on the Eligible subsidiaries is presented below:

S/N	Name of Subsidiary	Profile	Directors	Flour Mills' Shareholding in Subsidiary	Authorised Share Capital	Issued & Paid up share capital
1	Agri Estate Limited	Agri Estates Limited was incorporated on 29 January 2013 to engage in farming and processing of farm produce, and supply of raw materials to other agro-allied industries.	1. Paul Miyonmide Gbededo 2. Joseph Odion Umolu 3. Olusegun Falade 4. Anders Kristiansson	100%	₦ 10,000,000 divided into 20,000,000 ordinary shares of 50k each	₦ 10,000,000
2	Agri Palm Limited	Agri Palm Limited was incorporated on 23 January 2013 to engage in farming and processing of palm produce, and supply of raw materials to other agro-allied industries.	1. Paul Miyonmide Gbededo 2. Yunus Olalekan Saliu 3. Joseph Odion Umolu 4. Olusegun Falade 5. Anders Kristiansson	100%	₦ 210,000,000 divided into 420,000,000 ordinary shares of 50k each	₦ 210,000,000
3	Best Chickens Limited	Best Chickens Limited was incorporated on 15 May 2012 to carry on business as poultry merchants and processing of poultry produce.	1. Paul Miyonmide Gbededo. 2. Joseph Odion Umolu 3. Anders Kristiansson	100%	₦ 10,000,000 divided into 20,000,000 ordinary shares of 50k each	₦ 10,000,000
4	Golden Agri Inputs Limited	Golden Agri Inputs Limited was incorporated on 27 March 2014 to carry on the business of cultivating and maintenance of seeds, seedlings for farmers amongst others.	1. Paul Miyonmide Gbededo. 2. Joseph Odion Umolu 3. Abubakar Sadiq Usman 4. Olusegun Falade 5. Anders Kristiansson	100%	₦ 150,000,000 divided into 300,000,000 ordinary shares of 50k each.	₦ 150,000,000
5	Independent Grain Handling and Storage Limited	Independent Grain Handling and Storage Limited was incorporated on 22 June 2017 to carry on the business of farming and processing of farm produce into edible foods amongst others.	1. Paul Miyonmide Gbededo. 2. Joseph Odion Umolu 3. Olusegun Falade 4. Anders Kristiansson	100%	₦ 5,000,000 divided into 10,000,000 ordinary shares of 50k each.	₦ 5,000,000
6.	Kaboji Farms Limited	Kaboji Farms Limited was incorporated on 19 January 2006 to carry on business manual and mechanical farmers and breeders of cattle for sale amongst others.	1. Paul Miyonmide Gbededo. 2. Yunus Olalekan Saliu 3. Rabiuh Muhammed Gwarzo 4. Joseph Odion Umolu 5. Olusegun Falade	100%	₦ 1,100,000,000 divided into 1,100,000,000 ordinary shares of ₦1.00 each	₦ 1,100,000,000
7	Premier Feed Mills Company Limited	Premier Feed Mills Company Limited was incorporated on 11 December 2008 to carry on business of making and producing animal feeds amongst others.	1. Paul Miyonmide Gbededo. 2. John George Coumantaros 3. David Micheal Dannov 4. Mohammed G. Alkali 5. Christopher Chagoury Gilbert	51%	₦ 25,000,000 divided into 50,000,000 ordinary shares of 50 kobo each	₦ 25,000,000

Appendix III – Information regarding the Eligible Subsidiaries

8	Premium Cassava Products Limited	Premier Cassava Products Limited was incorporated on 17 January 2006 to carry on business of farming and processing of agricultural produce of all sorts amongst others.	1. Paul Miyonmide Gbededo. 2. Sadiq Abubakar Usman 3. Joseph Odion Umolu 4. Yunus Olalekan Saliu 4. Elias Abdelahad 5. Olusegun Falade 6. Anders Kristiansson	100%	₦375,000,000 divided into 700,000,000 ordinary shares of 50 kobo each	₦374,825,068
9	Premium Edible Oil Products Limited	Premier Edible Oil Products Limited was incorporated on 19 January 2006 to carry on business of extracting, processing and refining of vegetable oil amongst others.	1. Paul Miyonmide Gbededo. 2. Joseph Odion Umolu 3. Olusegun Falade 4. Mohammed G. Alkali 5. Nassib Raffoul 6. Anders Kristiansson	95%	₦4,010,000,000 divided into 4,010,000,000 ordinary shares of N1.00 each	₦4,010,000,000
10	Servewell Agricultural Services Limited	Servewell Agricultural Services Limited was incorporated on 23 June 2017 to carry on the business of farming and processing of farm produce into edible foods amongst others.	1. Paul Miyonmide Gbededo. 2. Joseph Odion Umolu 3. Usman Abubakar Sadiq 4. Olusegun Falade 5. Anders Kristiansson	100%	₦5,000,000 divided into 10,000,000 ordinary shares of 50 kobo each.	₦5,000,000
11	Shao Golden Farms Limited	Shao Golden Farms Limited was incorporated on 23 January 2013 to carry on the business of processing of locally available farm produce into edible foods amongst others.	1. Paul Miyonmide Gbededo. 2. Joseph Odion Umolu 3. Olusegun Falade 4. Anders Kristiansson	100%	₦210,000,000 divided into 420,000,000 ordinary shares of 50 kobo each	₦210,000,000
12	Sunflag Farms Limited	Sunflag Farms Limited was incorporated on 29 January 2013 to carry on the business of processing of locally available farm produce into edible foods amongst others.	1. Paul Miyonmide Gbededo. 2. Joseph Odion Umolu 3. Abubakar Sadiq Usman 4. Yunus Olalekan Saliu 5. Olusegun Falade 6. Anders Kristiansson	100%	₦110,000,000 divided into 220,000,000 ordinary shares of 50 kobo each	₦110,000,000
13	Upland Grains Production Company Ltd.	Servewell Agricultural Services Limited was incorporated on 22 June 2017 to carry on the business of farming and processing of farm produce into edible foods amongst others.	1. Paul Miyonmide Gbededo. 2. Joseph Odion Umolu 3. Olusegun Falade 4. Anders Kristiansson	100%	₦5,000,000,000 divided into 10,000,000 ordinary shares of 50 kobo each.	₦5,000,000

Appendix IV – Proforma Balance Sheet of Flour Mills & Golden Fertilizer

The pro-forma Financial Position set out hereunder has been prepared for illustrative purposes only and, given its nature, may not present a true picture of the companies' post-Scheme financial position.

The pro-forma Financial Position of the post-scheme entities have been prepared by carving out the historical financial positions of the fertilizer division and the investment in Eligible subsidiaries as at 30 September 2018, assuming the Scheme was effective on 1 October 2018.

Flour Mills

	Pre-Scheme Flour Mills	Post-Scheme Flour Mills
Non-Current Assets	(N'000)	(N'000)
Property, Plant and Equipment	84,513,069	83,193,641
Investment properties	949,993	949,993
Goodwill	59,926	59,926
Investment in subsidiaries	1,876,816	1,876,816
Available for sale investments	35,280,134	36,943,612
Long term loans receivable	43,180	43,180
Prepayments	37,132,239	37,132,239
Total non- current assets	161,389,079	161,733,129
Current Assets		
Inventories	73,743,477	67,230,940
Trade and other receivables	68,143,622	67,940,122
Prepayment & deposit for import	12,544,493	12,544,493
Cash and cash equivalents	20,208,748	19,600,289
Total current assets	174,640,340	167,315,844
Total Assets	336,029,419	329,048,973
Non-Current Liabilities		
Borrowings	15,951,089	15,451,089
Retirement benefit obligation	4,552,129	4,552,129
Long service award	1,830,875	1,830,875
Deferred taxation	12,154,373	12,154,373
Deferred income	255,261	255,261
Total non- current liabilities	34,743,727	34,243,727
Current Liabilities		
Bank Overdraft	609,567	309,567
Trade and other payables	55,071,323	53,967,164
Borrowings	82,442,114	77,815,827
Current tax payable	514,085	64,085
Deferred income	109,459	109,459
Dividend payable	2,141,730	2,141,730
Customer deposits	7,121,316	7,121,316
Total current liabilities	148,009,594	141,529,148
Total liabilities	182,753,321	175,772,875
Net Assets	153,276,098	153,276,098
Equity		
Share capital	2,050,197	2,050,197
Share premium	75,377,444	75,377,444
Fair value reserves	(92,276)	(92,276)
Retained earnings	75,940,733	75,940,733
Total equity	153,276,098	153,276,098

Appendix IV – Proforma Balance Sheet of Flour Mills & Golden Fertilizer

Golden Fertilizer

	Pre-Scheme Golden Fertilizer	Post-Scheme Golden Fertilizer
Non-Current Assets	(N'000)	(N'000)
Property, Plant and Equipment	-	1,319,428
Investment properties	-	-
Goodwill	-	-
Investment in subsidiaries	-	34,360,693
Available for sale investments	-	-
Long term loans receivable	-	-
Prepayments	-	-
Total non- current assets	-	35,680,121
Current Assets	-	-
Inventories	-	6,512,537
Trade and other receivables	-	203,500
Prepayment & deposit for import	-	-
Cash and cash equivalents	10,000	618,459
Total current assets	10,000	7,334,496
Total Assets	10,000	43,014,617
Non-Current Liabilities		
Borrowings	-	15,451,089
Retirement benefit obligation	-	4,552,129
Long service award	-	1,830,875
Deferred taxation	-	12,154,373
Deferred income	-	255,261
Total non- current liabilities	-	34,243,727
Current Liabilities		
Bank Overdraft	-	309,567
Trade and other payables	-	53,967,164
Borrowings	-	77,815,827
Current tax payable	-	64,085
Deferred income	-	109,459
Dividend payable	-	2,141,730
Customer deposits	-	7,121,316
Total current liabilities	-	141,529,148
Total liabilities	-	175,772,875
Net Assets	10,000	36,034,171
Equity		
Share capital	10,000	10,000
Capital Reserves	-	34,360,693
Fair value reserves	-	-
Retained earnings	-	1,663,478
Total equity	10,000	36,034,171

SCHEME OF EXTERNAL RESTRUCTURING
(UNDER PART XII OF THE INVESTMENT AND SECURITIES ACT NO 29 2007 AND Part 13 OF THE RULES AND REGULATIONS OF THE SEC)

BETWEEN

FLOUR MILLS OF NIGERIA PLC (RC 2343)
AND HOLDERS OF ITS FULLY PAID ORDINARY SHARES OF 50KOBO EACH

AND

GOLDEN FERTILIZER COMPANY LIMITED (RC 1503233)
HOLDERS OF ITS FULLY PAID ORDINARY SHARES OF 50 KOBO EACH

PRELIMINARY

1. In this Scheme, the following expressions shall, unless the context otherwise requires, have the meanings set opposite the same respectively:

"Act" or "ISA"	- Investment and Securities Act No. 29, 2007
"Business Day"	- Any day other than a Saturday, Sunday or official public holiday in Nigeria as declared by the Federal Government of Nigeria
"CAC"	- Corporate Affairs Commission
"CAMA"	- Companies and Allied Matters Act, Cap C20, LFN 2004
"Court"	- Federal High Court
"Court Ordered Meetings" or "Meetings"	- The separate meetings of the shareholders of Flour Mills of Nigeria Plc and Golden Fertilizer Company Limited to be convened pursuant to an Order of Court under Part XII of ISA and Part 13 of the Rules and Regulations of the SEC, of which notices are set out on pages 23 to 26 of this Document, including any adjournment thereof.
"Court Sanction"	- The Order of Court that sanctions the Scheme
"CTC"	- Certified True Copy
"Directors"	- The directors of Flour Mills of Nigeria Plc and Golden Fertilizer Company Limited who comprise those persons whose names are set out from pages 5 to 6 of this Document
"Effective Date"	- The date on which the Court sanctions the Scheme
"Eligible Subsidiaries"	- The 13 Agro Allied subsidiaries of Flour Mills, involved in the Scheme – Agri Estates Limited; Agri Palm Limited; Best Chickens Limited; Golden Agri Inputs Limited; Independent Grain Handling and Storage Limited; Kaboji Farms Limited; Premier Feed Mills Company Limited; Premium Cassava Products Limited; Premium Edible Oil Products Limited; Servewell Agricultural Services Limited; Shao Golden Farms limited; Sunflag Farms limited and Upland Grains Production Company Limited.
"Explanatory Statement"	- The explanatory statement prepared by the Financial Adviser, relating to the Scheme, as set out on pages 11 to 15 of this Document, for the purpose of explaining the terms, conditions and effects of the Scheme

The Scheme of External Restructuring

- “Financial Adviser” - FCMB Capital Markets Limited
- “Flour Mills” - Flour Mills of Nigeria Plc, exclusive of its subsidiaries
- “Flour Mills Group” - Flour Mills of Nigeria Plc and its subsidiaries
- “LFN” - Laws of the Federation of Nigeria
- “Proxy Form” - Any of the proxy forms attached to this Document for use in connection with the Court Ordered Meetings
- “Scheme” - The proposed scheme of External Restructuring between Flour Mills and Golden Fertilizer pursuant to Part XII of ISA, Part 13 of the Rules and Regulations of the SEC, in consequence of which Golden Fertilizer shall transfer all of their assets, liabilities and undertakings including real property, intellectual property rights to Flour Mills and as set out on pages 19 to 22 of this Document, in its present form or subject to any modification, addition or condition approved or imposed by the SEC or the Court
- “Scheme Document” or “Document” - This bound document dated 14 February 2019, which includes the Scheme, the Explanatory Statement, the respective Notices of Court Ordered Meetings and the various appendices therein.
- “SEC” or “the Commission” - Securities and Exchange Commission
- “Golden Fertilizer” - Golden Fertilizer Company Limited
2. The authorised share capital of Flour Mills is ~~N~~2,500,000,000 divided into 5,000,000,000 ordinary shares of 50 kobo each out of which 4,100,395,606 ordinary shares of 50 kobo each have been issued and fully paid up.
 3. The authorised, issued and fully paid-up share capital of Golden Fertilizer is ~~N~~10,000,000 divided into 20,000,000 ordinary shares of 50 kobo each.
 4. The Scheme will consist of the elements listed below:

The Scheme of External Restructuring

1. In accordance with the Scheme of External Restructuring, Flour Mills shall transfer the assets, liabilities and business undertakings of the fertilizer division to Golden Fertilizer on the terms and conditions herein after set forth.
2. in accordance with the Scheme of External Restructuring, all the shares held by Flour Mills in each of the Eligible Subsidiaries, on the Effective Date, together with all the rights and liabilities attached to all the shares, including rights to dividends, be and are hereby transferred to Golden Fertilizer, at their respective book values on Flour Mills balance sheet as at the Effective Date.

3. Conditions Precedent

The Scheme shall become effective and binding on Flour Mills and Golden Fertilizer if:

The Scheme of External Restructuring

- a) It is ratified, with or without modification by a majority representing three-quarters in value of the shareholders of each of Flour Mills and Golden Fertilizer, present and voting at separate Court Ordered Meetings.
- b) The Court sanctions the Scheme with or without modifications.

4. Consequences of the Scheme

As from and including the Effective Date,

- a) The fertilizer business of Flour Mills shall be carried out by Golden Fertilizer;
- b) Golden Fertilizer shall be the parent company of the Eligible Subsidiaries.

5. Effectiveness

The Scheme shall become effective on the day on which the Court sanctions the Scheme in the manner referred to in paragraph 3(b) above.

6. Modification

The Boards of Directors of Flour Mills and Golden Fertilizer are authorized to consent, on behalf of all parties concerned, to any modifications of or additions to the Scheme which the Court, may deem fit to approve or to any condition which the Court may impose.

Dated this 14 February 2019

NOTICE OF COURT-ORDERED MEETING OF FLOUR MILLS OF NIGERIA PLC

**IN THE FEDERAL HIGH COURT OF NIGERIA
HOLDEN AT LAGOS**

SUIT NO. FHC/ L/CS/249/2019

**IN THE MATTER OF AN APPLICATION UNDER PART XII OF THE INVESTMENT AND SECURITIES ACT NO. 29
OF 2007 (ISA) AND COMPANIES AND ALLIED MATTERS ACT**

IN RE:

- | | |
|---|---------------------------------|
| 1. FLOUR MILLS OF NIGERIA PLC | 1ST APPLICANT |
| 2. GOLDEN FERTILIZER COMPANY LIMITED | 2ND APPLICANT |

**MEETING OF THE HOLDERS OF THE FULLY PAID ORDINARY SHARES OF
FLOUR MILLS OF NIGERIA PLC**

NOTICE IS HEREBY GIVEN that by an Order of the Federal High Court, sitting in Lagos (the "Court") dated 20 February 2019 made in the above matter, the Court has directed that a meeting (the "Meeting") of the holders of the fully paid up ordinary shares of Flour Mills of Nigeria Plc. (the "Company") be convened for the purpose of considering and if thought fit, approving (with or without modification) a Scheme of External Restructuring pursuant to Part XII of the ISA and Part 13 of the Rules and Regulations of the SEC, between Flour Mills of Nigeria Plc and Golden Fertilizer Company Limited (the "Scheme").

The Scheme is explained in detail in the Explanatory Statement on pages 11 to 15 of the Scheme Document dated 14 February 2019, which is being sent to the shareholders.

The Meeting will be held at **Latana Hall, Eko Hotels & Suites**, Ademola Adetokunbo Street, Victoria Island, Lagos on **Wednesday, 6 March 2019** at **10.00am** at which place and time all the aforesaid shareholders are requested to attend.

At the Meeting, the following sub-joined resolutions will be proposed and if thought fit passed as special resolutions of the Company:

1. "That this Meeting approves the Scheme in the manner indicated in the Scheme Document a print of which has been submitted to the Meeting, and for the purposes of identification, endorsed by the Chairman;
2. That the Directors of the Company be and are authorised to consent to any modification of the Scheme that the Securities and Exchange Commission (SEC) and/or the Federal High Court may deem fit to impose or approve;
3. That all the assets, liabilities and undertakings of the fertilizer business of Flour Mills including but not limited to real property, equipment and machinery, plant, fixtures and fittings, motor vehicles, businesses, intellectual property rights, licenses, permits, credits and allowances be transferred to Golden Fertilizer;
4. That all legal proceedings, claims and litigation matters pertaining to the fertilizer business of Flour Mills either pending or contemplated by or against Flour Mills be continued by or against Golden Fertilizer after the Scheme is sanctioned by the Court;
5. That all the shares held by Flour Mills in each of Agri Palm Limited, Agri Estates Limited, Best Chickens Limited, Golden Agri Input Limited, Independent Grain Handling and Storage Limited, Kaboji Farms Limited, Premier Feed Mills Company Limited, Premium Cassava Products Limited, Premium Edible Oil Products Limited, Servewell Agricultural Services Limited, Shao Golden Farms Limited, Sunflag Farms Limited and Upland Grains Production Company Limited on the effective date, together with all the rights and liabilities attached to such

Notices of the Court-Ordered Meetings

shares, including the right to unpaid dividends, be and are hereby transferred to Golden Fertilizer, at their respective book values on Flour Mills' balance sheet as at [31 December 2018]

6. That the Solicitor of the Company be directed to seek orders of the Court sanctioning the Scheme and the foregoing resolutions, as well as such other incidental, consequential and supplemental orders as are necessary or required to give full effect to the Scheme; and
7. That the Directors of the Company be and are hereby authorised to take all actions as may be necessary to give effect to the Scheme."

The Scheme will be subject to the subsequent sanction of the Court.

Voting at the meeting will be by poll. Shareholders may vote in person or they may appoint another person, whether a shareholder or not, to attend and vote in their stead.

A Proxy Form is being sent to each shareholder. In the case of joint shareholders, the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority will be determined by the order in which the names stand on the register of members of the Company, in respect of the joint shareholding.

It is requested that the duly executed and stamped Proxy Form (together with any power of attorney or other authority under which the Proxy Form is signed, or a notarised copy of such power of attorney or other authority) be lodged at the office of the Company Secretary, as shown on the Proxy Form, not less than twenty four (24) hours before the time appointed for the Court Ordered Meeting.

Please note that the lodging of a Proxy Form does not prevent you from attending the meeting and voting in person should you so wish. However, in such instances, your proxy will not be entitled to attend or vote.

CLOSURE OF REGISTER OF MEMBERS

Entitlement to attend and vote at the meeting or any adjournment thereof and the number of votes which may be cast thereat will be determined by reference to the contents of the register of members of the company on 15 February 2019 after which the register of members will be closed for purposes of the meeting. Changes to, or entries in, the register of members of the company after that date and time shall be disregarded for purposes of the meeting.

By the order of the Court convening the meeting, the Court appointed Mr. Paul Miyonmide Gbededo or failing him, Alhaji Yunus Olalekan Saliu, or failing them both, any other director of the Company so appointed in their stead, to act as Chairman of the meeting and has directed the Chairman of the meeting to report the results of the meeting to the Court.

Dated this 20 February 2019

MR. JOSEPH ODION UMOLU

(Company Secretary)

1 Golden Penny Place

Wharf Road

Apapa

Lagos

KEHINDE BURAIMOH

KB & Company (Barristers & Solicitors)

Mandilas House (7th floor)

35 Simpson Street,

Marina, Lagos

(Solicitors to Flour Mills of Nigeria Plc)

NOTICE OF COURT-ORDERED MEETING OF GOLDEN FERTILIZER COMPANY LIMITED

**IN THE FEDERAL HIGH COURT OF NIGERIA
HOLDEN AT LAGOS**

SUIT NO. FHC/CS/249/2019

**IN THE MATTER OF AN APPLICATION UNDER PART XII OF THE INVESTMENT AND SECURITIES ACT NO. 29
OF 2007 (ISA) AND COMPANIES AND ALLIED MATTERS ACT**

IN RE:

- | | |
|---|---------------------------------|
| 1. FLOUR MILLS OF NIGERIA PLC | 1ST APPLICANT |
| 2. GOLDEN FERTILIZER COMPANY LIMITED | 2ND APPLICANT |

**MEETING OF THE HOLDERS OF THE FULLY PAID ORDINARY SHARES OF
GOLDEN FERTILIZER COMPANY LIMITED**

NOTICE IS HEREBY GIVEN that by an order of the Federal High Court, sitting in Lagos (the "Court") dated 20 February 2019 made in the above matter, the Court has directed that a meeting (the "Meeting") of the holders of the fully paid up ordinary shares of Golden Fertilizer Company Limited (the "Company" or "Golden Fertilizer") be convened for the purpose of considering and if thought fit, approving (with or without modification) a Scheme of External Restructuring pursuant to Part XII of the ISA and Part 13 of the Rules and Regulations of the SEC between Flour Mills of Nigeria Plc and Golden Fertilizer Company Limited (the "Scheme").

The Scheme is explained in detail in the Explanatory Statement on pages 11 to 15 of the Scheme Document dated 14 February 2019, which is being sent to the shareholders.

The Meeting will be held at Opal Suite, **Eko Hotels & Suites**, Ademola Adetokunbo Street, Victoria Island, Lagos on **Wednesday, 6 March 2019** at 12 noon at which place and time all the aforesaid shareholders are requested to attend.

At the Meeting, the following sub-joined resolutions will be proposed and if thought fit passed as special resolutions of the Company:

1. "That this Meeting approves the Scheme in the manner indicated in the Scheme Document a print of which has been submitted to the Meeting, and for the purposes of identification, endorsed by the Chairman;
2. That the Directors of the Company be and are authorised to consent to any modification of the Scheme that the Securities and Exchange Commission and the Federal High Court may deem fit to impose or approve;
3. That all legal proceedings, claims and litigation matters pertaining to the fertilizer business of Flour Mills pending or contemplated by or against Flour Mills be continued by or against Golden Fertilizer after the Scheme is sanctioned by the Court;
4. That the Solicitor of the Company be directed to seek orders of the Court sanctioning the Scheme of External Restructuring and the foregoing resolutions, as well as such other incidental, consequential and supplemental order as are necessary or required to give full effect to the Scheme;
5. That the Directors of the Company be and are hereby authorised to take all actions as may be necessary to give effect to the Scheme."

The Scheme will be subject to the subsequent sanction of the Court.

Notices of the Court-Ordered Meetings

Voting at the meeting will be by poll. Shareholders may vote in person or they may appoint another person, whether a shareholder or not, to attend and vote in their stead.

A Proxy Form is being sent to each shareholder. In the case of joint shareholders, the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority will be determined by the order in which the names stand on the register of members of the Company, in respect of the joint shareholding.

It is requested that the duly executed and stamped Proxy Form (together with any power of attorney or other authority under which the Proxy Form is signed, or a notarised copy of such power of attorney or other authority) be lodged at the office of the Company Secretary, as shown on the Proxy Form, not less than twenty four (24) hours before the time appointed for the Court Ordered Meeting.

Please note that the lodging of a Proxy Form does not prevent you from attending the meeting and voting in person should you so wish. However, in such instances, your proxy will not be entitled to attend or vote.

CLOSURE OF REGISTER OF MEMBERS

Entitlement to attend and vote at the meeting or any adjournment thereof and the number of votes which may be cast thereat will be determined by reference to the contents of the register of members of the company on 15 February 2019 by 12 noon. after which the register of members will be closed for purposes of the meeting. Changes to, or entries in, the register of members of the company after that date and time shall be disregarded for purposes of the meeting.

By the order of the Court convening the meeting, the Court appointed Mr. Paul Miyonmide Gbededo or failing him, Mr. Joseph Odion Umolu, or failing them both, any other Director of the company so appointed in their stead, to act as Chairman of the meeting and has directed the Chairman of the meeting to report the results thereof to the Court.

Dated this 20 February 2019

MR. JOSEPH ODION UMOLU

(Company Secretary)

1 Golden Penny Place
Wharf Road
Apapa
Lagos

KEHINDE BURAIMOH

KB & Company (Barristers & Solicitors)

Mandilas House (7th floor)
35 Simpson Street,
Marina, Lagos
(Solicitors to Golden Fertilizer Company Limited)

Proxy Form

Proxy Form – Flour Mills of Nigeria Plc

Proxy Form for the Proposed Scheme of External Restructuring between Flour Mills of Nigeria Plc and Golden Fertilizer Company Limited

I/We,

Shareholder's Name.....
Address.....
Account Number.....
No of shares held:

being the registered holder(s) of the ordinary shares of

Flour Mills of Nigeria Plc,

hereby appoint*.....

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Court Ordered Meeting of the holders of the ordinary shares of the Company to be held at Latana Hall, Eko Hotels & Suites, Ademola Adetokunbo Street, Victoria Island, Lagos on Wednesday, 6 March 2019 at 10.00am or at any adjournment thereof.

Signed thisday of.....2019

Shareholder's Signature.....

Proxy's Signature.....

NOTES:

- The Proxy Form should not be completed if the member will be attending the Meeting in person.
- A member (shareholder) who is unable to attend the Court Ordered Meeting is allowed by law to vote by proxy. This Proxy Form has been prepared to enable you to exercise your right to vote if you cannot personally attend.
- A member (shareholder) or his Proxy must detach and produce the Admission Form below to obtain entrance to the Meeting.
- Provision has been made on this form for the Chairman of the Meeting to act as your proxy, but if you wish you may insert in the blank space on the form (marked *) the name of the person, whether a member of the Company or not, who will attend the Meeting and vote on your behalf instead of the Chairman of the Meeting.
- Please sign this Proxy Form and return it to reach the Registrar not later than 10 am on 5 March 2019. If executed by a company, the Proxy Form should be sealed with its common seal.
- The lodging of a Proxy Form will not prevent you from attending the Meeting and voting in person should you so wish. However, in such instances, the proxy will not be allowed to vote.
- It is a legal requirement of the law under the Stamp Duties Act; Cap 58, Laws of the Federation of Nigeria, 2004 that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any Meeting of shareholders must be clearly stamped in accordance with the Act.

SPECIAL RESOLUTIONS:

- "That this Meeting approves the Scheme in the manner indicated in the Scheme Document a print of which has been submitted to the Meeting, and for the purposes of identification, endorsed by the Chairman;
- That the Directors of the Company be and are authorised to consent to any modification of the Scheme that the Securities and Exchange Commission (SEC) and/or the Federal High Court may deem fit to impose or approve;
- That all the assets, liabilities and undertakings of the fertilizer business of Flour Mills including but not limited to real property, equipment and machinery, plant, fixtures and fittings, motor vehicles, businesses, intellectual property rights, licenses, permits, credits and allowances be transferred to Golden Fertilizer without any further act or deed.
- That That all legal proceedings, claims and litigation matters pertaining to the fertilizer business of Flour Mills either pending or contemplated by or against Flour Mills be continued by or against Golden Fertilizer after the Scheme is sanctioned by the Court;
- That all the shares held by Flour Mills in each of Agri Palm Limited, Agri Estates Limited, Best Chickens Limited, Golden Agri Input Limited, Independent Grain Handling and Storage Limited, Kaboji Farms Limited, Premier Feed Mills Company Limited, Premium Cassava Products Limited, Premium Edible Oil Products Limited, Serwewell Agricultural Services Limited, Shao Golden Farms Limited, Sunflag Farms Limited, Upland Grains Production Company Limited on the effective date, together with all the rights and liabilities attached to such shares, including the right to unpaid dividends, be and are hereby transferred to Golden Fertilizer, at their respective book values on Flour Mills' balance sheet as at [31 December 2018]
- That the Solicitor of the Company be directed to seek orders of the Court sanctioning the Scheme and the foregoing resolutions, as well as such other incidental, consequential and supplemental orders as are necessary or required to give full effect to the Scheme; and
- That the Directors of the Company be and are hereby authorised to take all actions as may be necessary to give effect to the Scheme."

FOR

AGAINST

Please indicate how you wish your vote to be cast on the sub-joined resolution set out above by placing an "x" in the appropriate box. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion.

IF YOU ARE UNABLE TO ATTEND, PLEASE:

- Write the name of your proxy (if any) where marked*
- Ensure that the form is signed by you and your proxy
- Return the Proxy Form to reach the Company Secretary not less than 24 hours before the time for holding the Meeting.

Before posting the above form, please tear off this section and retain it to facilitate your admission to the meeting

Please admit the shareholder named on this admission form or his/her duly appointed proxy to the Court-Ordered Meeting to be held as follows:

DATE: 6 March 2019
TIME: 10 am
VENUE: Latana Hall, Eko Hotels & Suites, Ademola Adetokunbo Street, Victoria Island

Shareholder's Name.....
Address.....
No of shares held.....
Signature.....
PROXY **SHAREHOLDER**

THIS ADMISSION FORM IS TO BE SIGNED AT THE VENUE IN THE PRESENCE OF THE REGISTRAR

Proxy Form for the Proposed Scheme of External Restructuring between Flour Mills of Nigeria Plc and Golden Fertilizer Company Limited

I/We,

Shareholder's Name.....
 Address.....
 Account Number.....
 No of shares held:

being the registered holder(s) of the ordinary shares of

Golden Fertilizer Company Limited

hereby appoint*

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the Court Ordered Meeting of the holders of the ordinary shares of the Company to be held at Opal Suite, Eko Hotels & Suites, Ademola Adetokunbo Street, Victoria Island, Lagos on Wednesday, 6 March 2019 at 12 noon or at any adjournment thereof.

Signed this..... day of.....2019

Shareholder's Signature

Proxy's Signature.....

NOTES:

- The Proxy Form should not be completed if the member will be attending the Meeting in person.
- A member (shareholder) who is unable to attend the Court Ordered Meeting is allowed by law to vote by proxy. This Proxy Form has been prepared to enable you to exercise your right to vote if you cannot personally attend.
- A member (shareholder) or his Proxy must detach and produce the Admission Form below to obtain entrance to the Meeting.
- Provision has been made on this form for the Chairman of the Meeting to act as your proxy, but if you wish you may insert in the blank space on the form (marked *) the name of the person, whether a member of the Company or not, who will attend the Meeting and vote on your behalf instead of the Chairman of the Meeting.
- Please sign this Proxy Form and return it to reach the Company Secretary not later than 12 noon on 5 March 2019. If executed by a company, the Proxy Form should be sealed with its common seal.
- The lodging of a Proxy Form will not prevent you from attending the Meeting and voting in person should you so wish. However, in such instances, the proxy will not be allowed to vote.
- It is a legal requirement of the law under the Stamp Duties Act, Cap S8, Laws of the Federation of Nigeria, 2004 that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any Meeting of shareholders must be clearly stamped in accordance with the Act.

IF YOU ARE UNABLE TO ATTEND, PLEASE:

- Write the name of your proxy (if any) where marked*
- Ensure that the form is signed by you and your proxy
- Return the Proxy Form to reach the Company Secretary not less than 24 hours before the time for holding the Meeting.

Before posting the above form, please tear off this section and retain it to facilitate your admission to the meeting

Please admit the shareholder named on this admission form or his/her duly appointed proxy to the Court-Ordered Meeting to be held as follows:

DATE: 6 March 2019
TIME: 12 noon
VENUE: Opal Suite, Eko Hotels & Suites, Ademola Adetokunbo Street, Victoria Island

SPECIAL RESOLUTIONS:

- "That this Meeting approves the Scheme in the manner indicated in the Scheme Document a print of which has been submitted to the Meeting, and for the purposes of identification, endorsed by the Chairman;*
- That the Directors of the Company be and are authorised to consent to any modification of the Scheme that the Securities and Exchange Commission and/or the Federal High Court may deem fit to impose or approve;*
- That all legal proceedings, claims and litigation matters pertaining to the fertilizer business of Flour Mills pending or contemplated by or against Flour Mills be continued by or against Golden Fertilizer after the Scheme is sanctioned by the Court;*
- That the Solicitor of the Company be directed to seek orders of the Court sanctioning the Scheme of External Restructuring and the foregoing resolutions, as well as such other incidental, consequential and supplemental order as are necessary or required to give full effect to the Scheme;*
- That the Directors of the Company be and are hereby authorised to take all actions as may be necessary to give effect to the Scheme."*

FOR	AGAINST

Please indicate how you wish your vote to be cast on the sub-joined resolution set out above by placing an "x" in the appropriate box. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion.

Shareholder's Name.....
 Address.....
 No of shares held.....
 Signature.....
 PROXY SHAREHOLDER