

2022

**ANNUAL REPORT
& ACCOUNTS**

www.cutixplc.com.ng

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CORPORATE CHARTER

To

- be a very profitable, fast-growth, high quality, ethical, socially responsive, international (with Nigeria as home base) manufacturer of electrical energy products and services.
- move rapidly to exploit emerging technologies and capabilities in product improvement and diversification.
- use mainly Nigerian manpower and as much Nigeria value in materials and technology.
- use chiefly Internally generated funds to grow
- provide returns fairly to all stakeholders - Founder, Co-Founders, Owners, Directors, Management, Employees and the Third Parties like Suppliers, Distributors, Government and Public.

CORPORATE POLICY STATEMENT

Cutix Plc is committed to providing exclusive quality cable and wire products and services that meet and satisfy all applicable customers', regulatory, statutory and other interested parties' requirements with continual improvement of our quality management system to enhance organizational performance.

OUR VISION

“To become one of the top three providers of electrical energy products/services in the world”



OUR MISSION

“To power and illuminate the world”



OUR CORE VALUES

- Boldness
- Excellence
- Innovation
- Integrity
- Openness
- Proactiveness





MRS. CHINWENDU NWOKPORO (ACIS)

Company Secretary

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 39th Annual General Meeting of Cutix Plc will be held at Anaedo Social Club Hall, 20, Ezenwegbu Road, Otolo, Nnewi, Anambra State on Friday, August 26, 2022, at 11 a.m. to transact the following businesses:

ORDINARY BUSINESS

1. To Receive and Approve the Audited Accounts for the Year ended April 30, 2022 together with the Reports of the Directors, Audit Committee and Independent Auditors
2. To Declare a Dividend
3. To Re-elect Directors
4. To Authorise the Directors to Fix the Remuneration of the Auditors
5. To Disclose the Remuneration of Managers of the Company in Compliance with Section 257 of the Companies & Allied Matters Act 2020
6. To Elect Members of the Statutory Audit Committee

SPECIAL BUSINESS

7. To Approve the Remuneration of Directors

NOTES

1. PROXY

A member of the Company entitled to attend and vote at the Annual General Meeting can appoint a proxy to attend and vote on his/her behalf and such proxy need not be a member of the Company. A proxy form is attached to this Annual Report. If the proxy form is to be valid for this meeting, it must be completed, detached and deposited at the office of the Registrar - Crescent Registrars Limited, 23, Olusoji Idowu Street, Ilupeju, Lagos, (behind Mutual Benefit Insurance Head office) not later than forty-eight (48) hours before the time fixed for the meeting.

2. DIVIDEND

The Board of Directors of the Company has recommended the payment of a dividend of 10 kobo per 50 kobo ordinary share (less withholding tax).

3. DIVIDEND PAYMENT

If the dividend recommended by the Directors is approved by members at the Annual General Meeting, the amount will be credited directly, within 72 hours after the Meeting, to mandated accounts of members so entitled whose names appear in the Register of Members as at the close of business on August 19, 2022.

4. NOMINATION TO THE STATUTORY AUDIT COMMITTEE

Section 404(3) of the CAMA, 2020 provides that the Statutory Audit Committee shall consist of two (2) Non-Executive Directors and three (3) representatives of the Shareholders of the Company. Any Shareholder may nominate a Shareholder as a member of the Statutory Audit Committee. Kindly note that section 404 (5) of CAMA 2020 requires all members of the Statutory Audit Committee to be financially literate and at least one member must be a member of a professional accounting body in Nigeria established by the Act of the National Assembly and be knowledgeable in internal control processes. Because of the foregoing,

Notice of Annual General Meeting

nominations to the Statutory Audit Committee should be supported by the Curriculum Vitae of the nominees.

5. RIGHT OF SHAREHOLDERS TO ASK QUESTIONS

Shareholders reserve the right to ask questions at the Annual General Meeting. Shareholders may also submit questions before the Meeting in writing to the Company, in line with Rule 19.12(c) of the Listing Rules of The Nigerian Exchange Group. Such questions should be addressed to the Company Secretary or submitted to the registered office of the Company or by electronic mail via secretariat@cutixplc.com.ng latest seven days before the meeting.

6. UNCLAIMED DIVIDEND

The list of unclaimed dividends has been uploaded on the Company's website www.cutixplc.com.ng. Members affected are advised to complete the e-dividend registration form or visit the office of the Company's Registrars, Crescent Registrars Ltd at 23, Olusoji Idowu Street, Ilupeju Lagos.

7. CLOSURE OF REGISTER OF MEMBERS AND TRANSFER BOOKS

The Register of Members and Transfer Books of the Company will be closed from Monday, August 22, 2022, to Friday, August 26, 2022, both dates inclusive, to prepare an up-to-date Register of Members.

8. E-DIVIDEND

Notice is hereby given to Shareholders who have not joined the e-dividend platform to please furnish the Registrars with the details of their bank accounts to enable direct crediting of dividends into their accounts. A detachable e-dividend application form is attached to this Annual Report and the service is available to all the shareholders free of charge.

9. ELECTRONIC ANNUAL REPORT

The electronic version of the Annual Report can be downloaded from the Company's website- www.cutixplc.com.ng. The e-annual report will be emailed to all Shareholders who have provided their email addresses to the Registrars. Shareholders who wish to receive the e-annual report are kindly requested to send an email to info@crescentregistrars.com or secretariat@cutixplc.com.ng

Dated this 23rd day of June 2022
BY ORDER OF THE BOARD



Mrs. Chinwendu Nwokporo (ACIS)
Company Secretary
FRC/2019/ICSAN/00000019775

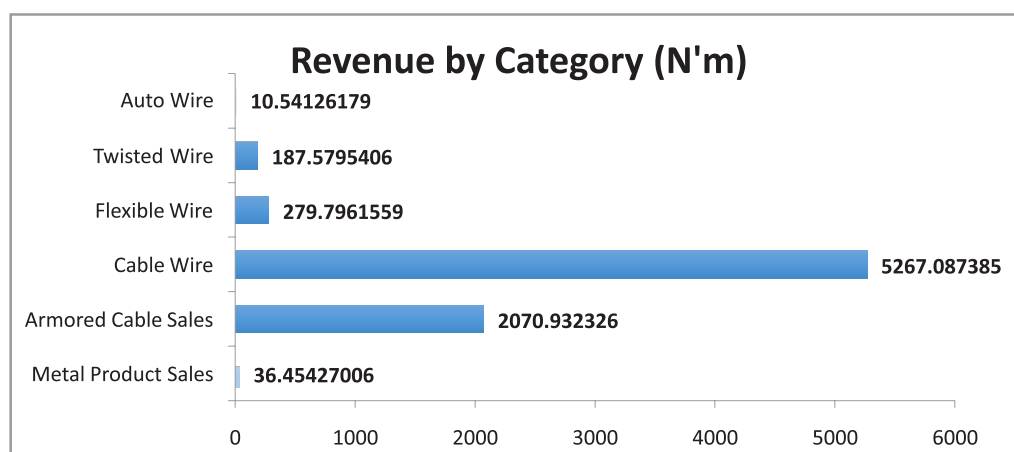
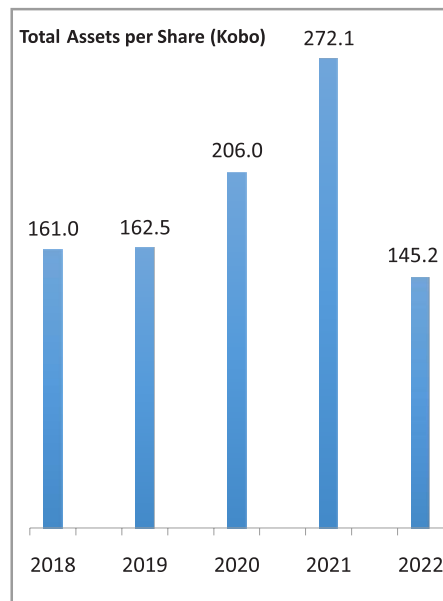
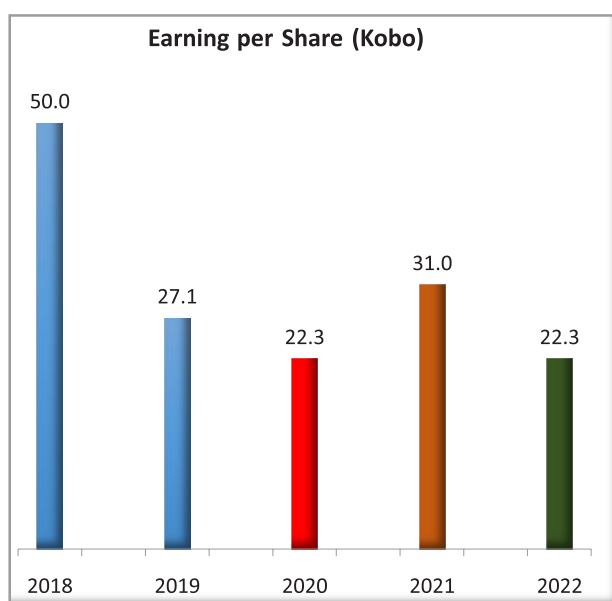
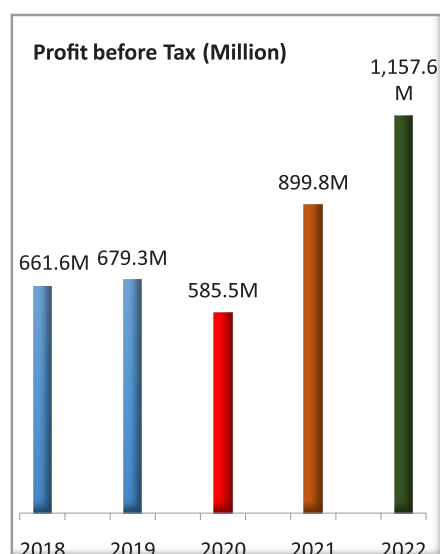
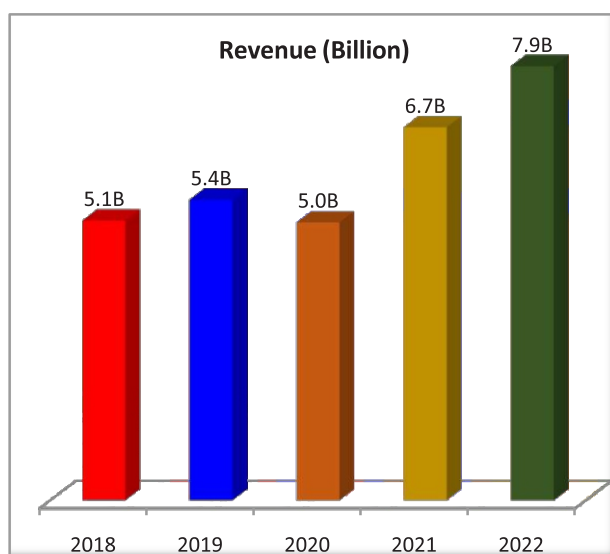
CUTIX PLC

FINANCIAL HIGHLIGHTS

	2022	2021	Increase/ (Decrease)	
	₦'000	₦'000	₦'000	%
Total Assets	5,116,100	4,792,191	323,910	7
Total Liabilities	2,411,644	2,636,402	(224,758)	(9)
Net Assets	2,704,456	2,155,788	548,668	25
Capital Expenditure	250,881	252,275	(1,394)	(1)
Paid-up Share Capital	1,761,322	880,661	880,661	100
Total Equity	2,704,456	2,155,790	548,666	25
No. of Shares in Issue	3,522,644	1,761,321	1,761,323	100
Revenue	7,867,764	6,749,840	1,117,924	17
Profit Before Taxation	1,157,642	899,827	257,815	29
Taxation - Income Tax	371,335	305,804	65,531	21
Taxation- Deferred Tax	13,419	15,863	(2,444)	(15)
Profit After Taxation	786,307	594,023	192,284	32
Other Comprehensive Income	-	(50,938)	50,938	(100)
Per Share Data:				
Earnings Per Share - Basic (Kobo)	22	31	(9)	(28)
Earnings Per Share - Adjusted (Kobo)	22	15	(7)	43
Total Assets Per Share (Kobo)	145	272	(127)	(47)
Share price (Kobo)	244	225	19	8

Cutix Plc

Financial Highlights cont'd



DIRECTORS, MANAGEMENT, PROFESSIONALS, ADVISERS, ETC.

CHAIRMAN

Amb. Okwudili Nwosu - Non-Executive Director

CHIEF EXECUTIVE OFFICER

Mrs. Ijeoma Oduonye (ACIS)

OTHER DIRECTORS

Barr. (Mrs.) Ifeoma Nwahiri - Non-Executive Director
Sir Matthias Umego - Non-Executive Director
Dr. Chidozie Nsoedo - Non-Executive Director
Mr. Ike Okonkwo - Non-Executive Director
Mr. Ariyo Olushekun - Non-Executive Director
Mrs. Ijeoma Ezeasor - Ind. Non-Executive Director
Prince Charles Orizu - Ind. Non-Executive Director

COMPANY SECRETARY

Mrs. Chinwendu Nwokporo (ACIS)

REGISTERED OFFICE/FACTORY

17, Osita Onyejianya Street
Umuauka, Otolu, Nnewi
Anambra State
Tel: 046-280-087, 046-281-199, 0704-623-6426
Email: secretariat@cutixplc.com.ng
Website: www.cutixplc.com.ng

POSTAL ADDRESS

P.M.B. 5040
Nnewi, Anambra State

REGISTRAR AND TRANSFER OFFICE

Crescent Registrars Ltd
23, Olusoji Idowu Street
Ilupeju
(Behind Mutual Benefit Insurance Head Office)
Lagos State
Email: info@crescentregistrars.com
Website: www.crescentregistrars.com.ng

LEGAL ADVISERS

Olisaeloka Osuigwe & Co
Mercy Court
10, Dala Ucha Street
Okpunoegbu Umudim
Nnewi, Anambra State

Ike Obeta & Co
112, Owerri Road
Nnewi, Anambra State

Directors, Management, Professionals, Advisers, Etc. Cont'd

INDEPENDENT AUDITOR

Ngozi Monica Okonkwo & Co
(Chartered Accountants)
Duplex 11, Ugochukwu Housing Estate
Sambiller Crescent, Off Atani Road, Onitsha
Anambra State

SALES OFFICES

1. **Aba**
27, St. Michael Road
Aba, Abia State.
Tel: 0903-377-5097, 082-290-663
E-mail: aba@cutixplc.com.ng
2. **Abuja**
Shop R239 Gudu Electrical Market
Gudu District, Abuja.
Tel: 0803-675-5246, 092910758, 0703-679-9332
E-mail: abuja1@cutixplc.com.ng

Shop B4
Shop B4 109/110 Dei-Dei Int'l Building Material
Market, Abuja.
Tel: 0902-339-4294, 0813-303-1662, 0803-431-1620
E-mail: abuja2@cutixplc.com.ng
3. **Enugu**
Suite B16, Ejim Plaza
Near Oakland Hotel by Ebeano Tunnel, Enugu
Tel: 0816-059-7414, 0906-994-3744
E-mail: enugu@cutixplc.com.ng
4. **Lagos**
17, Olutosin Ajayi Street
Ajao Estate, Isolo, Lagos State.
Tel: 0813-455-1103, 0806-231-2663
E-mail: lagos@cutixplc.com.ng

Suite 18, Elegushi Modern Plaza
Jakande Roundabout,
Opposite Mobil Filling Station
Lekki - Epe Express Way, Lagos
Tel: 0814-773-7085
E-mail: lagos2@cutixplc.com.ng

Shop A51 Century Mall by St. Patrick Bus stop
Near United Bank for African (UBA)
Alaba International Market
Tel: 0814-071-3787, 0903-282-1581
E-mail: lagos3@cutixplc.com.ng

Directors, Management, Professionals, Advisers, Etc. Cont'd

5. **Obosi**
Shop 7 & 8, God is Good Plaza
Electrical Dealers
Obosi, Anambra State
Tel: 0906-775-7132, 0813-249-2717
E-mail: obosi@cutixplc.com.ng
6. **Port Harcourt**
18 Dr. Aranye Okilo Drive
D/Line, (Near NITEL Office) Port Harcourt
Rivers State
Tel: 0810-089-0255, 0818-009-7256,
0816-065-9919
E-mail: portharcourt@cutixplc.com.ng
7. **Uyo**
41, Ikot-Ekpene Road
Uyo, Akwa Ibom State.
Tel: 0704-379-8268, 0803-623-9000
E-mail: uyo@cutixplc.com.ng

MANAGEMENT

Mrs. Ijeoma Oduonye	Chief Executive Officer
Mrs. Chinwendu Nwokporo	Company Secretary/Head, Enterprise Assurance
Mrs. Uche Igbokwe	Head, Anuka Plant
Mr. Macpherson Nwogu	Head, Power Cable Plant
Mr. Christian Okafor	Head, Quality Assurance
Mrs. Chidimma Udeh	Head, Administration
Mrs. Chidinma Maduekwe	Head, Sales Trade
Mr. Chinonso Okoli	Head, Sales Industrial
Mr. Ifenna Njideofor	Head, Marketing
Mrs. Jane Ebere Nwabueze	Head, Finance and Accounts
Mr. Christian Igwe	Head, Human Resources
Mrs. Ada Ikebuilo	Head, Business Development
Mrs. Ijeoma Obiora	Head, Adswitch Plant

BANKERS

Access Bank Plc
Ecobank Nigeria Limited
Fidelity Bank Plc
First Bank of Nigeria Limited
Guaranty Trust Bank Plc
Polaris Bank Limited
Sterling Bank Plc
Union Bank of Nigeria Plc
United Bank for Africa Plc
Zenith Bank Plc

TAX IDENTIFICATION NUMBER (TIN):

00362300-0001

CORPORATE PROFILE

FORMATION

The idea for the Company was conceived in 1981, when Engr. (Dr.) Ajulu Uzodike decided to leave Raychem Corporation, a major international manufacturer of aircraft & military wares and accessories, to set up indigenous firms to manufacture electrical cables and switchgears. Adtec Ltd, a venture capital and management firm, which was incorporated in 1978, started the two projects as separate divisions in 1982. Cutix Plc was incorporated on November 4, 1982 as a Private Limited Company to manufacture electric wires and cables.

OWNERSHIP STRUCTURE

By mid-1983, some friends and relations of the Founder and foundation staff handling the projects were invited to invest in the projects initiated by Adtec Ltd. After the private placement, 18 founding shareholders emerged which took over the business of the cable division of Adtec Ltd, named Cutix Ltd, with a start-up capital of ₦400,000.00. Soon after the economy was liberalized in 1986, the Company went to the capital market, through the Second Tier Security Market, to raise funds. The public issue, which made Cutix Ltd the first private manufacturing company East of the Niger to be quoted on The Nigerian Stock Exchange, was concluded on August 12, 1987. After the public issue, the Company became Cutix Plc. The amount of new capital raised by Cutix Plc since inception to April 2022 stood at ₦1.761 billion from both the private and public bonuses. Through plough back of retained earnings into capital, the book value of her capital as at April 30, 2022 stood at ₦2.704 billion. The market value of the Company was ₦8.595 billion as at April 30, 2022.

MACHINERY PROGRAMME

The company started production with one extrusion line in 1984 and has been in continuous production with the capacity to produce various wire and cable products. A

second line was added in 1985 and by 1986, many wire processing lines were added to achieve integration at par with leading cable makers in Nigeria and elsewhere in the world. All the machines were specified, installed, and commissioned by members of staff of Cutix Plc which is 100% Nigerian as a deliberate policy. Many of the equipment and spare parts were locally constructed in line with the expected exclusive quality standards.

Our belief in the value of integration is so strong that during the difficult days of import licensing, in 1984 - 1986, the company used the bulk of licenses obtained to buy machinery for backward integration. In 1992, the company went a step further to become the first cable manufacturer to acquire a plastic compounding line.

Between 2000 to 2007, to expand our product lines and capacity, Cutix Plc installed and commissioned several machines. In 2014, the company added another feather to her well-decorated cap when she built and commissioned a new state-of-the-art factory adjacent to the first one and dedicated it to the production of all sizes of armored/non-armored cables, XLPE cables and various power cables. This singular act positioned Cutix Plc as one of the leading cable manufacturing companies in Nigeria in terms of capacity. In 2015, the company bought and commissioned a Double Twist Buncher to increase its bunching capacity. In late 2018, the Company bought a new Tubular Strander and a Drum-to Drum rewinding machine to further boost her production capacity. Both were installed and commissioned in April 2019.

Through our belief in backward integration, a staff of the Company single handedly, fabricated, installed, and commissioned a rewinding machine in 2020 which the Company uses in the rewinding and recovering process during cable production.

Corporate Profile cont'd

In addition to our capacity, in 2022 the company placed order for Bow cabling machine to enable her produce bigger sizes of flexible, instrumental and control cables. She also bought a new 1000KVA Cummins Generator to augment existing ones for improved power supply.

BUSINESS LOGISTICS

Cutix Plc started manufacturing at Nnewi in a 1,000m² facility it rented from Adtec Limited. By 2009, we moved all our machineries to our own factory premises and head office at 17, Osita Onyejiana Street, Umuanuka, Otolu, Nnewi. Production now goes on at the permanent site, which has about 6,000m² covered area while the head office complex stands adjacent to the production plant. Additional area of 5,500m² of land where the Company's power cable plant is situated was acquired in 2014. Two water boreholes and 3,120KVA generators are in place to serve the Company and its neighbours. With sales offices at Aba, Abuja, Enugu, Lagos, Nnewi, Obosi, Port Harcourt and Uyo, the Company ensures effective distribution of her products. She also has delivery trucks which serve her distributors that are spread across Nigeria.

STAKEHOLDERS' WELFARE

Due to its commitment to ensuring the distribution of returns fairly to all its stakeholders, the Company is managed in a way that maximizes long-term shareholders' value and takes into account the interest of all the stakeholders. Cutix Plc has operated with an all-Nigerian workforce since inception. The Company's corporate philosophy is such that encourages the growth of staff from within and allows staff the opportunity for self-improvement while working. Cutix Plc is the first Company in Nnewi to have a Condition of Service in place for her workers. Salary paid to her staff is partly based on the productivity of the Company and the monthly obligation the Company agreed to meet for all staff based on their salary position.

SOCIAL RESPONSIVENESS

Cutix Plc is a socially responsive and responsible Company. We pay taxes to the government promptly. Between 1997 and 2021, we paid about ₦1.520 billion as Corporate Income Tax to the Federal Government. Apart from paying taxes and dividends, Cutix Plc has been pro-actively involved in various social projects. Some of the projects include: financial support to approved vigilante groups, educational institutions, motherless babies homes, community projects; educational assistance to the needy; heavily discounted sales of cables to churches; Principal sponsorship of the annual ENIC Tennis League tournaments; annual subvention to Nnewi Sports Club, provision of electricity to our closest neighbours and provision of water from her factory boreholes to neighbours, churches, schools etc. Cutix Plc also donated multipurpose printer to Nigerian Association of Small & Medium Enterprises (NASME), and car gift to the best performing distributor. Cutix Plc also gave support to the Region of Mary Our Lady of Assumption Cathedral Nnewi for the building of Region of Mary Auditorium in Okija Pilgrimage Centre in Anambra State and to Youth Corps Members.

QUALITY ASSURANCE AND PRODUCT SAFETY

At Cutix Plc, Quality is our keyword and the most important aspect of our culture. We are very committed to quality and ensure that all products and processes comply with national and international standards. Cutix Plc is tantamount to quality. The company has a Quality Assurance Unit whose core job is to certify all the processes of production from the receipt of raw materials to the finished products. Quality control is embedded in every process of the manufacturing system and confirmed by the complete test carried out at our laboratory before releasing products to the store.

To attest to this, Cutix Plc is the only company in the real sector to be recognized and awarded by the Federal Institute of Oil and Gas Research

Corporate Profile cont'd

and Hydrocarbon Studies during the year under review. We have also won the NIS award for all product categories up to **Gold** since inception and MANCAP award for all armoured cables sizes.

Cutix Plc is MANCAP and ISO 9001:2015 certified for its Quality products and Management System.

CUTIX'S PRODUCT RANGE AND USES

Company's Product Range	Uses
House wiring cables	Conduit and surface wiring of house, office and factories.
All Aluminium Conductors (AAC)	High and low voltage power distribution
Aluminum Conductors Steel Reinforced (ACSR) up to 450mm ²	Long span transmission
Copper Conductors	Earthing electrical installation
Aluminum Service Cables	Connecting homes and low-tension public power lines
Automotive Cables	Low and high voltage automotive cables for wiring application in automobiles
Appliance Cables	Flexible cords in household electrical appliances
PVC Compounds	Insulating and sheathing of conductors
Power cables PVC/PVC (All sizes: single and multi-core)) PVC/SWA/PVC (All sizes) XLPE/SWA/PVC (All sizes) XLPE/SWA/SE (All sizes) Solar Cables	Underground installation for LV power line Underground installation for LV power line Underground installation for LV power line Underground installation for LV power line For Solar connection
Switch Gears	For Transmission

POINTS TO NOTE

Cutix Plc is the first Company East of the Niger to be quoted on the Nigerian Exchange Limited.
Cutix Plc is the first cable manufacturer in Nigeria to acquire a plastic compounding line.



ENGR. ((DR.) AJULU UZODIKE (OON)

Founder, Cutix Plc



AMB. OKWUDILI NWOSU
Chairman, Board of Directors

CHAIRMAN'S STATEMENT

Distinguished Shareholders, Representatives of Regulatory Bodies, Management & Staff, Invited Guests, Members of the Press, Ladies and Gentlemen; I welcome all of you to the 39th Annual General Meeting of our dear Company, Cutix Plc. I shall present to you the Annual Report and Accounts as well as the activities in the macro-economic environment that impacted the performance of the company for the Financial Year ended on April 30, 2022.

INTRODUCTION

I sincerely appreciate all of you for your unwavering commitment and loyalty, which have contributed immensely to the continued success of our dear company, Cutix Plc. Undoubtedly, the financial year 2022 was characterized by a very dynamic and challenging macro-economic environment brought about by the Omicron variant of the Coronavirus (COVID-19) pandemic, which had a significant impact on businesses globally.

The resilience of our dedicated, loyal Management and Staff built over the years, however, enabled us to successfully navigate the economic headwinds as we poised towards achieving increasing productivity, remain true to our Mission while pursuing the Vision of our foresighted Founder, Engr. (Dr.) Gilbert Obiajulu Uzodike, OON. Against this backdrop, it is therefore pertinent to review the economic environment within which our company operated during the year under review.

BUSINESS ENVIRONMENT

The FY 2022, no doubt was difficult. The emergence of the Coronavirus (COVID-19) which started ravaging the world beginning in late 2019 in China, rapidly spread all over posing threats to the world.

The recent Russia-Ukraine war which started in February 2022 also adversely affected operations of the global economy. There was

widespread apprehension that the world may fall short of ferrous and non-ferrous metals on account of the war. These led to the surge in the prices of these and other materials in recent times. In fact, between February 23 and March 8, 2022 the London Metal Exchange (LME) prices of copper increased by 3.5% while aluminum went up by 6.2%. The ongoing war is also obviously causing disruption in the supply chain. The attendant rising price of crude oil resulted in the surge in the price of diesel, (largely used for power supply) which increased our costs significantly and affected productivity.

These challenges were further compounded by the persistent and sustained insecurity which are reflected in the activities of the Herdsmen/Farmers clashes, rampant kidnappings and other violent crimes including armed robberies.

Our dear company has its factory located in Nnewi, Anambra State, South-Eastern part of the country which from second quarter 2021 had experienced a consistent sit-at-home order. This activity had a grave detrimental effect on businesses located in the region. The effects of these challenges are still with us today, but we are struggling to get back to our normal operations quickly.

OUR PERFORMANCE

Despite the challenging business environment and the intense competition witnessed in the industry, the company posted a Turnover of over ₦7.8 billion with a Profit Before Tax of over ₦1.1 billion which represent growths of about 17% and 29% respectively. We are thus grateful to our Management and Staff and other stakeholders for this fair achievement. Based on the provision of our charter, the Board is pleased to recommend a dividend of 10k per share which represents a 33.3% increase in the amount paid last year. This is a payment of ₦352 million as dividend compared to ₦264 million paid last year.

Chairman's Statement cont'd

Despite these challenges, the Board and Management remain resolute and committed to the achievement of the Mission and Vision of the company to deliver sustained growth to the business.

FUTURE PROSPECTS

Our Company is adapting to the ever-changing business environment which are compounded by difficult access to foreign exchange in spite of the very high prevailing rate brought about by the devaluation of the official rate of the Naira by the Central Bank of Nigeria (CBN). However, we are not oblivious to the fact that there are still prospects to be exploited within the economy.

We remain committed to sustaining the increasing value of our assets by productivity improvements leading to higher profitability and better returns on equity to you. We hope to achieve this in the medium term by expanding our product range and building more local value.

We will continue with our resolve towards reintroducing the products of Adswitch Plc which we acquired during the financial year 2021. In accordance with the provision of our Charter, we shall maintain our resolution to continue to pay our shareholders increasing dividend annually, issue bonus shares every three years and build more market value for the company.

ACKNOWLEDGMENTS

In conclusion, we continue to appreciate the efforts of all our stakeholders in Cutix Plc and commend them for their loyalty in standing by us through the dynamic changes in the business environment. Special thanks to the Founder, Shareholders, and my colleagues on the Board for their unwavering support to the executive Management and Staff. We also extend our appreciation to our Management and Staff for their resilience, hard work and dedication.

We thank our loyal customers and consumers for their confidence in our brands. We acknowledge the positive contributions of our suppliers, bankers, and other business partners. We could not have made it thus far without your invaluable support. Our products are rated the best in our industry because of our exclusive quality which has become the watchword in the industry.

All of you understood our goals, believed in them, and committed, so that we can build a truly indigenous Nigerian Company that is dedicated to using Nigerian manpower, adding Nigerian value in materials and technology for the manufacture of our electrical products.

On behalf of the Board of Directors, I wish all of you a safe trip to your destination and look forward to seeing you at the 40th AGM.

Thank You.



Amb. Okwudili Nwosu
Chairman, Board of Directors
FRC/2019/NSE/00000019801

BOARD OF DIRECTORS

DIRECTORS PROFILE

AMB. OKWUDILI NWOSU

Chairman

Amb. Nwosu was re-appointed to the Board of the Company in 2016 as a Non-Executive Director. He was appointed the Chairman of Cutix Plc in October 2018. He graduated from Georgia Institute of Technology, Atlanta, Georgia, USA with Bachelor of Chemical Engineering in 1976. He obtained Bachelor of Interdisciplinary Science from Morehouse College, Atlanta, Georgia USA in 1976. He also obtained an MBA from Auburn University, Auburn, Alabama, USA in 1978.

Amb. Nwosu went to Harvard University Graduate School of Business, Boston, Massachusetts, USA for the Program for Management Development in 1992. He was a General Manager, Deputy Managing Director and later Managing Director of Cutix Plc before retiring in 1994. However, he retained his seat on the Board of Directors from 1983 to 2011. He became the Chairman, Cutix Plc from 2011 to 2012 before he was appointed the Nigerian Ambassador to Burundi from 2012 to 2015. He is a Corporate Member of the Nigerian Society of Engineers. He is also a member of the Harvard Business School Alumni Association of Nigeria from 1992 to date.



MRS. IJEOMA AGNES ODUONYE

Chief Executive Officer (CEO)

Mrs. Oduonye was appointed to the Board of Directors of Cutix Plc in October 2018 and she took over the position of the Chief Executive Officer of the Company effective November 1, 2018. She was the head of the Administration Department of Cutix Plc from 2006 to 2011. She worked as the Company Secretary from 2011 - 2018 before she took over the position of CEO in 2018. She is an Associate member Institute of Chartered Secretaries and Administrators of Nigeria. She graduated from the Federal Polytechnic Oko, with HND in Secretarial Studies in 1995.



Board of Directors

Directors Profile cont'd

She attended the Advanced Management Program at Lagos Business School and Chief Executive Program at IESE Business School, Spain in 2018. Mrs. Oduonye had her Post Graduate Diploma and Masters in Business Administration at Chukwuemeka Odumegwu-Ojukwu University in 2019 and 2022 respectively. She is currently the vice president (Finance) of Nnewi Chamber of Commerce, Industry, Mines and Agriculture (NCCIMA) and the National Chairman of Electrical/Electronic sectoral group and a National Council Member of the Manufacturers Association of Nigeria (MAN).

BARR. (MRS.) IFEOMA NWAHIRI

Non-Executive Director

Barr. (Mrs.) Nwahiri was reappointed to the Board of Directors of Cutix Plc in 2016 as a Non-Executive Director. She is a graduate of Imo State University, Owerri with an LLB in 2003, and went to Nigerian Law School, Abuja in 2003. She is the Principal Partner, Laud Chambers from 2007 to date. Barr (Mrs.) Nwahiri is a member of the Nigerian Bar Association. She was a Director of Cutix Plc from 2005 to 2011. She was the Managing Director, Soul Mill Limited from 2010 to 2014.

She was appointed as a Non-Executive Director, Adswitch Plc from 2011 to 2013. Barr. (Mrs.) Nwahiri is a member of the Negotiation and Conflict Management Group (2003), Chartered Institute of Arbitration (UK Branch, 2005) and a member Chartered Institute of Taxation (2016).



Board of Directors

Directors Profile cont'd

SIR MATTHIAS AGHARA UMEGO

Non-Executive Director

Sir Umego joined the Board of Cutix Plc as a Non-Executive Director in October 2018. He is a registered COREN member of Mechanical Engineering Technologist. He graduated from the Institute of Management and Technology Enugu with HND in Mechanical Engineering in 1981. He joined Premier Breweries Plc in 1982 and worked as an Assistant Mechanical Engineer. Sir Umego joined Cutix Plc in 1985 and worked in the following capacities - Head, Manufacturing/Maintenance department; District Sales Manager (North); Product Manager; Wire Processing Manager; Chief Operating Officer (Technical Services); Head, Armoured Cable Project Team; Project Manager Cutix Plc and retired as a General Manager in the Company in 2008.

He was a two-time Statutory Audit Committee member of Cutix Plc. Sir Umego is a member of the Nnewi Sports Club.



DR. CHIDOZIE NSOEDO

Non-Executive Director

Dr. Nsoedo joined the Board of Directors of the Company in October 2018 as a Non-Executive Director. He is a graduate of London Southbank University, UK with a B.Eng. in Chemical Engineering in 2001. He also holds PhD in Health Informatics, from the University of Manchester, UK in 2010. Dr. Nsoedo is an alumnus of the famous University of Hull, UK and University of Portsmouth, UK respectively.

He was a part-time lecturer at Department of Creative Technologies, the University of Portsmouth between 2004 and 2005. He also worked as E-learning and Web Services Manager, Queen Mary University, London UK in 2010. Dr. Nsoedo is a member of the UK Higher Education Academy. He is a Director at First Systems Refinishes Limited and Samhays Limited.



Board of Directors

Directors Profile cont'd

MR. IKE GODWIN OKONKWO

Non Executive Director

Mr. Okonkwo is a 1981 HND Marketing graduate of the Institute of Management and Technology (IMT), Enugu. He also obtained HND in Accountancy from the Federal Polytechnic Oko in 1997. He joined Adtec Ltd in 1982 as a project management staff to study amongst others, the manufacturing of electrical wires and cables as the cables division which later became Cutix Plc and electrical switchgears as the switchgear division which became Adswitch Plc. As a foundation staff of Cutix Plc, he worked in various Senior Management positions while growing with the Company in the following capacities—Head Lagos Office, Head Business, Sales & Accounts Department, Head Sales & Marketing Department, Project Manager Plastic Compounding (PVC), Head Manufacturing Department, Head PVC Sales and Head General & Industrial Markets. He rose to the position of General Manager before retiring in 1999.

He worked with Keywest Properties Ltd, a firm engaged in contract and property management as the General Manager from 2001 to 2003 before joining Ponsel Nig. Ltd, an engineering and power distribution company involved in Federal and Rural Electricity projects, in 2004 as the General Manager till date. He is an associate member of both the Nigerian Marketing Association (NMA) and the Nigerian Institute of Management (NIM) and a Member of the Nigeria Association of Auctioneers. Mr. Okonkwo is a member of the IMT Alumni Association Abuja branch and a member Finance Committee, the Games Village Residents Association (GVRA), Abuja. He is also a member of the Nnewi Sports Club. Mr. Okonkwo joined the Board of Cutix Plc as a Non-Executive Director on October 31, 2014. He was a member of the Risk Management Committee (RMC) of the Board of the Company and also a member of the Governance, Nomination & Compensation (GNC) Committee and subsequently the Chairman of the Committee before his retirement in 2017. Mr. Okonkwo made valuable contributions during the period he sat on the Board of the Company. He was reappointed to the Board of Directors of Cutix Plc in 2020 as a Non-Executive Director.



Board of Directors

Directors Profile cont'd

MR. MURITALA ARIYO OLUSHEKUN

Non-Executive Director

Mr. Olushekun is a Fellow of the Institute of Chartered Accountants of Nigeria, the Chartered Institute of Stockbrokers, and the Institute of Directors (IoD). He is also an Associate of the Chartered Institute of Taxation and the Nigerian Institute of Management as well as a Member of Chartered Investment and Securities Institute, UK. He is an Authorised Dealing Clerk of the Nigerian Stock Exchange and NASD Plc and is registered with the Securities & Exchange Commission. Mr. Olushekun holds HND in Accountancy from Yaba College of Technology as well as an MBA in Marketing from the University of Lagos. He is an Alumnus of the Advanced Management Program of IESE Business School, Barcelona, Spain as well as the IoD Independent Directorship Certification Programme. He has also participated in Executive and Professional Development programmes at Harvard Business School, Boston, USA, INSEAD Business School, Fontainebleau, France, Lagos Business School and New York Institute of Finance.

Mr. Olushekun has over thirty years experience of active participation in various aspects of Investment Banking eleven out of which were spent at Centre-Point Merchant Bank Plc before leaving in 1998 to establish and manage Capital Assets Limited, a leading Investment Banking outfit in Nigeria. He has participated in several Investment Banking Transactions for corporate bodies and governments at the Federal, State and local levels.

Mr. Olushekun is a Past President and Chairman of the Governing Council of the Chartered Institute of Stockbrokers. He has served on the National Council of the Nigerian Stock Exchange as well as on the Board of its subsidiary, NSE Consult Ltd. He has also served on the Board of Central Securities Clearing Systems Plc. He is currently serving on the Boards of NASD Plc, First Trust Mortgage Bank Plc, Unity Registrars Ltd, Co-Link Investment Management Ltd and Applied Logic Ltd. Mr. Olushekun was a member of the Business Support Group of the Nigerian Vision 20:2020 as well as the Federal Government Capital Market Resuscitation Committee. He recently served as the Chairman of Capital Market Literacy Master Plan Committee and is currently a member of the Capital Market Master Plan Implementation Council of the Securities & Exchange Commission, the Nigerian Green Bond Advisory Group, Chairman of the Nigerian Stock Exchange Investigation Panel and Chairman, Capital Market Support Committee on COVID-19.

He has attended several local and international courses on Corporate Governance, Risk Management, Investments, Banking and Finance. He has also made presentations at several seminars, workshops and investment fora in Nigeria, USA, UK, Ireland and Canada.



Board of Directors

Directors Profile cont'd

MRS. IJEOMA CHICHEBE EZEASOR

Independent Non-Executive Director

Mrs. Ezeasor is a Business, Trade and Policy Analyst with vast knowledge in industrial and economic policy. She comes from a multi-disciplinary background spanning from Accounting, Finance, Development Studies, Sustainable Human Development and Environmental Management.

Mrs. Ezeasor is a member of the following associations: Institute of Strategic Management of Nigeria, Nigerian Environmental Society, Academy of International Business, International Academy of African Business and Development, International Society for Market and Development and Think Tank South East Economic Summit Group.

She is a Council Member Manufacturers Association of Nigeria (Anambra, Enugu & Ebonyi State branch) and Secretary-General National Shippers Association of Nigeria and also a Council Member of the Enugu State Ease of Doing Business Council where she represents the Private Sector. She is also a member of the National Consultative Committee on International Trade in Services (NCCITS).

She has vast experience in strategic development communications, public speaking, training, research design and development, data tracking advocacy, project coordination and supervision. She has several published and unpublished papers for conferences and has participated in conference special panel sessions.



Board of Directors

Directors Profile cont'd

ORIZU CHARLES OBIANAEFO (PRINCE)

Independent Non-Executive Director

Prince Charles Obianaefo Orizu is a Fellow of the Chartered Institute of Arbitrators {UK} with a Diploma in International Commercial Arbitration from the same Institute. He obtained an LLM from the University of Jos, a B.L. {Hons} in Law from the Nigerian Law School, Abuja. He also obtained LLB {Hons} from Nnamdi Azikiwe University, Awka and MPA/BA {History} with the Nnamdi Azikiwe University, Awka and Obafemi Awolowo University, Ile Ife respectively.

Prince Charles worked with Orji Nwafor Orizu and Associates as an Associate from 2000 - 2003. To date, he serves as the Principal Partner of Obi Orizu and Co, Chairman, Orizu Petroleum Limited and Principal Secretary to the Igwe of Nnewi. He is a Fellow and Member of the Governing Board, Institute of Chartered Mediators and Conciliators, Fellow, Nigerian Institute of Management. He is also a Member of Nigerian Bar Association, International Bar Association and Pan African Lawyers Union. A Paul Harris Fellow of Rotary International, Patron of Nnewi Sports Club and Charter President, Rotary Club of Nnewi Urban.

As a form of service to humanity, Prince Orizu renovated a five room, a four room and a three room classrooms at Nnewi High School, Nnewi. He donated a modern gate and well paved entrance into Nnewi High School. He also donated a four room classroom at Nnewichi Primary School, Nnewichi, Nnewi, a four room classroom at Edoji Primary School, Uruagu, Nnewi, eight room U shaped classroom block at St Michael Primary School, Umudim, Nnewi. He facilitated the construction of two hostels and a dining hall at Nigerian Science and Technical College, Otolo, Nnewi and donated a new School Clinic Building at Hope Waddle College, Calabar, Cross River State and a brand new three bedroom to a widow. He awards annual scholarship at Obiofia Primary School and St Christopher's Primary School, Nnewi.

Prince Orizu has obtained the following awards among others: Community Service Award by Rotary Club of Nnewi, Award of Excellency by FC Ifeanyi Ubah, Merit Award {Honorary Old Student} by Old Students Association of Hope Waddle College, Calabar, Award of Honour {Dike Umu Okolobia} by Nnofor Youth Forum, Special Award of Excellence by St Michael and All Angels Anglican Church, Inyaba, Umudim, Nnewi, Merit Award by Nnewi Sports Club and Otolo Nnewi Family Meeting, Abuja and Special recognition by Anambra State Government for Building Education in Anambra State.



MANAGEMENT TEAM



Mrs. Ijeoma Oduonye
Chief Executive Officer



Mrs. Chinwendu Nwokporo (ACIS)
Company Secretary/Head, Enterprise Assurance



Mrs. Uche Igbokwe
Head, Anuka Plant



Mr. Macpherson Nwogu
Head, Power Cable Plant



Mr. Christian Okafor
Head, Quality Assurance



Mrs. Chidimma Udeh
Head, Administration



Mrs. Chidinma Mmaduekwe
Head Sales - Trade



Mr. Chinonso Okoli
Head, Sales - Industrial



Mr. Ifenna Njidefor
Head, Marketing



Mrs. Ebere Nwabueze
Head, Finance and Accounts



Mr. Christian Igwe
Head, Human Resources



Mrs. Ada Ikebuilo
Head, New Business Development



Mrs. Ijeoma Obiora
Head, Adswitch

REPORT OF THE DIRECTORS

In accordance with section 385 of the Companies and Allied Matters Act, 2020, the Directors have the pleasure of presenting herewith their Annual Report containing the Statement of Financial Position as at April 30, 2022 together with the Statement of Profit or Loss and Other Comprehensive Income for the year ended on that date.

1. LEGAL STATUS

Cutix Plc was incorporated on November 4, 1982, as a private limited liability Company. It was quoted on the Second Tier of the Nigerian Stock Exchange on August 12, 1987, and later migrated to the First Tier of the Exchange on February 18, 2008. The price per 50k share of the Company as at April 29, 2022 was ₦2.44.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are manufacturing and marketing of electrical, automobile and telecommunication wires, cables and related products.

3. RESULT FOR THE YEAR

The following are highlights of the Company's performance in FY 2022.

	GROUP FY 2022 ₦'000	COMPANY FY 2022 ₦'000	GROUP FY 2021 ₦'000	COMPANY FY 2021 ₦'000
Revenue	7,867,764	7,852,391	6,749,840	6,745,521
Profit Before Tax	1,157,642	1,161,802	899,827	907,431
Taxation	371,335	371,335	305,804	305,804
Profit After Tax	786,307	790,467	594,023	601,627

4. DIVIDEND

The Directors are pleased to recommend a dividend of 10kobo per share to be considered for approval by the shareholders at the Annual General Meeting. The total dividend payable, if approved by the shareholders, is ₦352,264 million and is subject to deduction of withholding tax at the rate applicable at the time of payment. Below is the summary of the Profit After Tax, proposed dividend and reserve of the Company:

	₦'000
Profit After Taxation	786,307
Less Proposed Dividend	352,264
Profit Carried Forward	434,043

5. PROPERTY, PLANT AND EQUIPMENT (PPE)

Movements in Property, Plant and Equipment (PPE) during the year are shown in Note 3.1 of the Audited Financial Statements. In the opinion of the Directors, the market value of the PPE is not less than the value shown in the accounts.

6. DONATIONS AND CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

During the year, donations and CSR initiatives amounting to ₦6,473,000 are as stated below:

Report of The Director's *cont'd*

S/No	Beneficiary	Amount (₦)
1.	Nnewi Community (Education, medical assistance, security)	4,392,275
2.	Sponsorship of 2020/2021 ENIC tennis league	1,680,725
3.	Rehabilitation Centre for the Disabled, Old and Tramps (RECDOT)	200,000
4.	Veterans	200,000
	Total	6,473,000

7. ANALYSIS OF SHAREHOLDING

a) Shareholders and Shareholding:

The Registrar has advised that the shareholdings as at April 30, 2022 are as follows:

SHARE RANGE	NO. OF S/HOLDERS	CUMMULATIVE HOLDERS	% HOLDERS	NO OF UNITS	CUMMULATIVE UNITS	%UNITS
1-1,000	730	730	8.593	261,669	261,669	0.007
1,001-5,000	941	1,671	11.077	2,660,142	2,921,811	0.076
5,001-10,000	759	2,430	8.935	5,729,099	8,650,910	0.163
10,001-50,000	2,160	4,590	25.427	55,694,612	64,345,522	1.581
50,001-100,000	1,002	5,592	11.795	72,477,183	136,822,705	2.057
100,001-500,000	2,362	7,954	27.805	448,859,108	585,681,813	12.742
500,001-1,000,000	292	8,246	3.437	187,353,345	773,035,158	5.319
1,000,001-5,000,000	192	8,438	2.260	353,278,229	1,126,313,387	10.029
5,000,001-10,000,000	25	8,463	0.294	171,038,126	1,297,351,513	4.855
10,000,001- ABOVE	32	8,495	0.377	2,225,292,539	3,522,644,052	63.171
TOTAL	8,495		100	3,522,644,052		100

b) Directors' Shareholding

		As at Year-End		Prior Year		Date of Approval of FY 2022 Account	
		April 30, 2022	April 30, 2022	April 30, 2021	April 30, 2021	June 23, 2022	June 23, 2022
SN	Name of Director	Direct	Indirect	Direct	Indirect	Direct	Indirect
1.	Amb. Okwudili Nwosu	150,111,216	Nil	70,414,398	Nil	150,111,216	Nil
2.	Mrs. Ijeoma Oduonye	6,000,000	Nil	5,120,000	Nil	6,000,000	Nil
3.	Barr (Mrs.) Ifeoma Nwahiri	13,568,472	Nil	6,784,236	Nil	13,568,472	Nil
4.	Sir Matthias Umego	2,697,440	Nil	1,348,720	Nil	2,697,440	Nil
5.	Dr. Chidozie Nsoedo	Nil	Nil	Nil	Nil	Nil	Nil
6.	Mr. Ariyo Olushekun	2,146,290	Nil	80,000	Nil	2,146,290	Nil
7.	Mrs. Ijeoma Ezeasor	Nil	Nil	Nil	Nil	Nil	Nil
8.	Mr. Ike Okonkwo	1,371,866	1,333,332	1,185,933	666,666	1,371,866	666,666
9.	Prince Charles Orizu	512,140	Nil	Nil	Nil	Nil	Nil

Barr. (Mrs.) Ifeoma Nwahiri represents Uzodike Gilbert Obiajulu; Dr. Chidozie Nsoedo represents Nsoedo Samuel and R. C. Onyeje & Company (Nig) Ltd while Mr. Ike Okonkwo represents Nzewi Christopher Emengini and others' Shareholdings on the Board.

Report of The Director's *cont'd*

C) Substantial Interest in Shares

According to the Register of Members as at 30 April 2022, no other individual holds 5% and above of the issued and fully paid-up shares of the Company apart from the following individuals:

S/No	Name	Holdings	% HOLDINGS
1	Uzodike Gilbert Obiajulu	401,746,954	11.40%
2	R.C Onyeje and Company (Nig) Ltd	221,664,000	6.29%
3	Nsoedo Samuel	215,333,332	6.11%
4	Nigerian Reinsurance Corporation	213,333,332	6.06%
5	Nzewi Christopher Emengin	183,592,480	5.21%
6	AMI Nigeria Limited	180,375,964	5.12%
		1,416,046,062	40.19%

d) Acquisition of Own Shares

The Company did not purchase any of its shares during the year under review.

e) Free Float Analysis

The free float analysis of the issued and paid-up share capital of the Company as at April 30, 2022 is as stated below:

S/No	Category	Holding as at April 30, 2022	% Holding as at April 30, 2022	Holding as at April 30, 2021	% Holding as at April 30, 2021
1.	Directors	177,740,756	5.05	83,747,354	4.75
2.	Shareholders with 5% and above	1,416,046,062	40.19	693,111,211	39.35
3.	Free Float	1,928,857,234	54.76	984,463,46	55.89
	Total	3,522,644,052	100	1,761,322,026	100

8. DIRECTORS' INTEREST IN CONTRACTS

Within the period under review, no Director declared interest in contracts in which the Company was involved in compliance with Section 303 (1 & 2) of CAMA 2020.

9. EMPLOYMENT & EMPLOYEES

a. Management & Staff

The Company's staff strength increased from 237 to 245, including the CEO within the financial year under review. The Company employed 19 permanent employees, 2 employees for Industrial training, 2 NYSC employees and thirty-eight vacation staff, while twenty-one permanent employees were disengaged from the company. Eighteen out of the thirty-eight temporary staff were converted to permanent staff within the year under review.

Report of The Director's *cont'd*

b. Employment of Physically Challenged persons

We provide employment opportunities to physically challenged persons and do not discriminate on any group. The Company is driven by a deep conviction that even in disability, there could be immense ability. In line with our policy, we solely recruit based on capability to occupy the specific role. The Company currently has three physically challenged staff in her employment.

c. Employee Involvement

Cutix Plc is committed to fully informing her employees about the Company's performance and involves them in decision making processes. This we have found to be an efficient method of aligning staff to the Corporate Charter. Aside town hall and unit meetings, the Joint Consultative Committee made up of elected staff from different units, has been a useful tool for enhancing effective communication between employees and the company.

d. Health and Safety Policy

In Cutix Plc, health and safety policy is in place to guide employees, visitors, contractors and anyone involved in the Company's value chain. We are committed to preventing accidents and incidents that may create unsafe conditions, that would lead to accidents, injuries and illness related to work.



The CEO (middle) and some Management Team with Federal Road Safety Personnel during The Company's Safety Week Program

Report of The Director's *cont'd*



The CEO (middle), Staff and invitees during safety week

10. EVENTS AFTER REPORTING DATE

There were no events after the reporting period that could have had material effects on the Financial Statements of the Company that have not been adequately provided for or disclosed in these Financial Statements

11. FORMAT OF FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with the reporting and presentation requirements of the Companies and Allied Matters Act, (CAMA) 2020 and are in compliance with the International Financial Reporting Standards issued by International Accounting Standards Board and the requirements of the Financial Reporting Council of Nigeria Act No 6. 2011. The Directors consider that the format adopted is the most suitable for the Company

12. MATERIAL CHANGES AFFECTING THE COMPANY

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report. There has been no such change in the business of the Company.

13. REMUNERATION OF MANAGERS OF THE COMPANY

Section 257 of CAMA 2020 states that compensation of Managers shall be disclosed to members of the Company at the AGM while and Section 238 of CAMA provides that disclosure of the remuneration of the managers of a company should be an item under the ordinary business at an Annual General Meeting. Based on the definition of “manager” in the Companies Regulations 2021, details of remuneration paid to the Chief Executive Officer and Non-Executive Directors for the year under review are contained in Note 28 of the Audited Financial Statements.

CORPORATE GOVERNANCE REPORT

1. Corporate Governance

Cutix Plc is committed to the highest standard of Corporate Governance in all her activities in line with guidelines and regulations required by the Nigerian Code of Corporate Governance. We conduct our operations with honesty, integrity, openness, and respect for the human rights and interests of our employees. Similarly, we respect the legitimate interests of those with whom we relate. The Company is committed to providing products and services which consistently offer value in terms of price and quality and are safe for their intended use.

Our business operations are conducted in accordance with nationally and internationally accepted principles of good corporate governance to provide timely, regular and reliable information on our activities, structure, financial situation and performance to all stakeholders and legal authorities. In doing our business, we strive to remain a trusted corporate citizen and, as an integral part of society, fulfill our responsibilities to the society and communities in which we operate. Cutix Plc believes that full disclosure and transparency in her operations are in the interest of good governance. As indicated in the statement of responsibilities of Directors and notes to the accounts, the Company adopts standard accounting practices which are IFRS compliant and ensures sound internal control to facilitate the reliability of the financial statements.

2. The Board

The Board is committed to the highest standards of business integrity, ethical values and governance of the Company. The Board is accountable to shareholders for creating and delivering sustainable value through the management of the Company's business. The functions of the

Board are guided by the provisions of the Companies and Allied Matters Act, the Nigerian Code of Corporate Governance, the Company's Articles of Association, Charter, Vision, Mission and other relevant laws and regulations. The Board determines the overall strategy of the Company and follows up on its implementation, supervises the performance and ensures adequate management of the Company.

3. Separation of Positions of the Chairman and the Chief Executive Officer

The roles of the Chairman and Chief Executive Officer are separate and no one individual combines the two positions. The Chairman's main responsibility is to lead and manage the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibilities. The Chairman is responsible for ensuring that Directors receive accurate, timely and clear information to enable the Board take informed decisions and provide advice to promote the success of the Company. The Chairman also facilitates the contribution of Directors and promotes effective relationships and opens communication between the Executive and Non-Executive Directors.

The Chief Executive Officer (CEO) is the head of Management. The Board has delegated the responsibility for the day-to-day management of the Company to the CEO, who is supported by the Management. The CEO executes the powers delegated to her in accordance with guidelines approved by the Board of Directors. The Chief Executive Officer is accountable to the Board for the development and implementation of strategies and policies of the Company. The Board regularly reviews performance, matters of strategic concern and any other matter it regards as material.

Corporate Governance Report cont'd

4. Directors' Responsibilities

In accordance with the provisions of Sections 377 of the Companies and Allied Matters Act, 2020, the Directors are responsible for the preparation of the Financial Statements, ensuring that the Statement of Financial Position gives a true and fair view of the state of affairs of the Company at the end of each financial year and of the Statement of Profit or Loss and Other Comprehensive Income for that period. The Directors' responsibilities include:

- a. Defining the Company's strategic goals and ensuring that its human and financial resources are effectively deployed towards attaining those goals;
- b. Ensuring that the Company carries on its business in accordance with its Memorandum and Articles of Association and in conformity with the laws of the country, observing the highest ethical standards and on an environmentally sustainable basis;
- c. Ensuring that the Company uses suitable accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates and that all applicable accounting standards are followed;
- d. Approval and enforcement of Code of Business Ethics for the Company, the Employees and Directors.
- e. Accepting responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act 2020.

- f. Ensuring succession planning and the appointment, training, remuneration and replacement of Board members and Senior Management staff;
- g. Defining a framework for the delegation of its authority or duties to Management specifying matters that may be delegated and those reserved for the Board;
- h. Overseeing the effective performance of Management to protect and enhance shareholder's value and to meet the Company's obligations to its employees and other stakeholders;
- i. Identifying risk and monitoring risk management systems;
- j. Establishing appropriate internal controls to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

5. Composition of the Board of Directors who held office during the period ended April 30, 2022:

The Company's Articles of Association provides that the Board shall consist of a maximum of nine (9) Directors. The Board consisted of the Chairman, the Chief Executive Officer and five Non-Executive Directors, two of which are independent. The Non-Executive Directors are independent of Management and are free from any constraints, which may materially affect the exercise of their judgement as Directors of the Company. The Directors possess the requisite integrity, skills and experience to bring independent judgement to bear the deliberations of the Board. Below are details of the Directors who held office during the period ended April 30, 2022.

Corporate Governance Report cont'd

S/No	Name of Director	Position
1.	Amb Okwudili Nwosu	Chairman (Non-Executive)
2.	Mrs. Ijeoma Oduonye	Chief Executive Officer
3.	Barr (Mrs.) Ifeoma Nwahiri	Non-Executive Director
4.	Dr Chidozie Nsoedo	Non-Executive Director
5.	Sir Matthias Umego	Non-Executive Director
6.	Mr. Ike Okonkwo	Non-Executive Director
7.	Mr. Ariyo Olushekun	Non-Executive Director
8.	Mrs. Ijeoma Ezeasor	Independent Non-Executive Director
9.	Prince Charles Orizu	Independent Non-Executive Director

6. Process for Board Appointment, Training and Induction

The Governance, Nomination and Compensation (GNC) Committee is charged with the responsibility of leading the process for Board appointments. With respect to new appointments, the Committee identifies, reviews and recommends candidates for potential appointment as Directors. In identifying suitable candidates, the Committee considers candidates on merit and with due regard for the benefits of diversity on the Board, including geographical and gender diversity as well as the balance and mix of appropriate skills and experience to strengthen the capacity of the Board. The appointment of Directors is subject to the approval of the shareholders in line with the statutory requirement.

Every newly appointed Director receives a comprehensive letter of appointment detailing the terms of reference and composition of the Board and Board Committees, the entitlements and demand for time commitment as a result of the appointment. Other documents given to them include the Company's Memorandum and Articles of Association, Board Charter, Code of Corporate Governance for Public

Companies in Nigeria, Code of Business Ethics and other relevant documents, policies, processes and procedures of the Company that will help the Director gain an understanding of the Company. Newly appointed Directors are also conducted around the production facilities of the Company to gain first-hand knowledge of the production processes. Cutix Plc is committed to the training of her Directors and for this purpose, offers continuous training to the Directors to enhance their performance on the Board

7. Changes on the Board

There was no change in the Board within the period.

8. Retirement of Directors by Rotation

In compliance with the provisions of the Articles of Association of the Company and Section 285 (1) of CAMA 2020, the Directors that will retire by rotation are Mr. Ike Okonkwo, Mr. Ariyo Olushekun and Mrs. Ijeoma Ezeasor. Their profiles are contained on pages 21 to 23 of the Annual Report.

9. Disclosure of Directors above Seventy Years

According to section 278 (1) of CAMA 2020, Amb. Okwudili Nwosu, notwithstanding that he turned 71 years on 17th January 2022, has offered

Corporate Governance Report cont'd

himself for re-election for a final one year to enable him train his successor. His profile is on page 18 of the Annual Report and on the Company's website.

10. Evaluation of the Board

In the Company's customary manner of imbibing the best corporate governance practices, evaluation of the Board was undertaken in the financial year 2022. The annual appraisal covered all aspects of the Board's responsibilities, processes, relationships, individual member's competencies, respective roles in the performance of the Board, etc.

In compliance with section 15 of the National Code of Corporate

Governance, an Independent Consultant, Corporate Mission Consultant carried out Board and Directors' appraisal in financial year 2021. The next evaluation will be after three years.

11. Directors' Remuneration

Remuneration of Directors is guided by the provisions of Section 16.13 of the Nigerian Code of Corporate Governance which stipulates that Non-Executive Directors may be paid sitting allowances, Directors fees and reimbursable travel and hotel expenses. In compliance with the requirement of the Code, the Company discloses the remuneration paid to the Directors as follows:

S/No	Type of Remuneration	Description	Timing
1.	Basic Salary	Part of gross salary package for the Chief Executive Officer.	Paid monthly
2.	Other Allowances	These are part of the gross salary package for the Chief Executive Officer.	Paid periodically
3.	Directors Fees	This is paid to Non -Executive Directors only.	Annually
4.	Sitting Allowance	Allowance paid to Non -Executive Directors for attending Board and Board Committee meetings.	Paid after each meeting
5.	Sitting Expenses	Reimbursable travel and hotel expenses paid to Non-Executive Directors for attending Board and Committee meeting.	Paid after each meeting

The Directors are also sponsored for training programmes required to enhance their duties to the Company. Details of remuneration paid to the Chief Executive Officer and Non-Executive Directors for the year under review are contained in Note 28 of the Audited Financial Statements.

13. Directors' Interest in Contracts

Within the period under review, no Director declared interest in contracts in

which the Company was involved as at April 30, 2022 with reference to Section 303 (1, 2 & 3) of CAMA 2020.

14. Record of Directors' Attendance to Board Meetings

The Board has a formal schedule of meetings each year and met five (5) times during the year under review. The record of attendance at those meetings by the Directors who served during the year under review is set out below:

Corporate Governance Report cont'd

S/No	Director	20/05/21	15/07/21	26/08/21	25/11/21	23/02/22
1.	Amb. Okwudili Nwosu	P	P	P	P	P
2.	Barr (Mrs.) Ifeoma Nwahiri	P	P	P	P	P
3.	Sir Matthias Umego	P	P	P	P	P
4.	Dr. Chidozie Nsoedo	P	P	P	P	P
5.	Mrs. Ijeoma Ezeasor	P	P	P	P	P
6.	Mr. Ikechukwu Okonkwo	P	P	P	P	P
7.	Mr. Ariyo Olushekun	P	P	P	P	P
8.	Mrs. Ijeoma Oduonye	P	P	P	P	P
9.	Pince Charles Orizu	NYA	NYA	NYA	NYA	P

(Key: P - Present, NYA - Not Yet Appointed)

15. Board Committees

In conformity with the Code of Best Practices in Corporate Governance, the Directors worked through the following Board Committees:

- Audit, Risk & Compliance (ARC) Committee
- Governance, Nomination & Compensation (GNC) Committee

16. Audit, Risk & Compliance (ARC) Committee

The Audit, Risk & Compliance Committee

assists the Board in identifying risks, creates systems to protect the Company from identified risks and monitors the implementation of the Company's risk management systems. The Committee also assists the Board in fulfilling its oversight function on the reliability and integrity of financial management, accounting policies, asset management, financial reporting and disclosure practice. Details of attendance by each of the Committee members are shown below:

ARC Committee Attendance Record

S/No	Director	Position	24/06/21	23/09/21	9/12/21	24/03/22
1.	Barr (Mrs.) Ifeoma Nwahiri	Chairman	P	P	P	P
2.	Mr. Ikechukwu Okonkwo	Member	P	P	P	P
3.	Mr. Ariyo Olushekun	Member	P	P	P	P

(Key: P - Present)

17. Governance, Nomination & Compensation (GNC) Committee

The Governance, Nomination & Compensation Committee makes recommendations to the Board on the policy framework and Executive Compensation and its costs; establishes and maintains the Company's equity, compensation policies and practices, reviews and makes recommendations to the Board concerning the Company's incentive compensation plans that are subject to the Board's approval. It also defines processes for determining executive and non-executive compensation. The Committee

establishes, the criteria for Board and Board Committee membership, reviews the candidate's qualification and any potential conflict of interest. It ensures that succession policy and plan exist for the positions of the Chairman, CEO, Directors and Heads of Department. It also reviews and makes recommendations to the Board for the approval of the Company's organisational structure and any proposed amendment(s). The Committee also monitors the compliance of the Company to the Code of Corporate Governance. Details of attendance by each of the Committee members are shown below:

Corporate Governance Report cont'd

GNC Committee's Attendance Record

S/No	Director	Position	16/07/21	28/10/21	27/01/22	28/04/22
1.	Sir Matthias Umego	Chairman	P	P	P	P
2.	Mrs. Ijeoma Ezeasor	Member	P	P	P	P
3.	Dr. Chidozie Nsoedo	Member	P	P	P	P
4.	Pince Charles Orizu	Member	NYM	NYM	P	P

(Key: P - Present, NYM - Not Yet a Member)

18. Statutory Audit Committee

In compliance with Section 401 of the Companies and Allied Matters 2020, members of the Audit Committee of the Company were elected at the last Annual General Meeting. The Committee comprises a mixture of Non-Executive

Directors and ordinary shareholders elected at the Annual General Meeting. The functions of the Committee are laid down in Section 407 of the Companies and Allied Matters Act CAP 2020. Details of attendance by each of the members of the Audit Committee are shown below:

Audit Committee's Attendance Record

S/No	Director	Position	14/07/21	29/10/21	28/01/22	29/04/22
1.	Mr. Chima Nwosu	Chairman	P	P	P	P
2.	Chief (Mr.) Edmund Njoku	Member	P	P	P	P
3.	Jude Okpala	Member	P	P	P	P
4.	Dr. Chidozie Nsoedo	Member	P	P	P	P
5.	Mr. Ikechukwu Okonkwo	Member	P	P	P	P

(Key: P - Present)

19. Risk Management and Compliance System

We remain committed to sustainable enterprise-wide risk management practices to drive institutional growth. The Board of Directors of Cutix Plc is responsible for the enterprise risk management and implementation of the Company's business. This responsibility is delegated to the Audit Risk and Compliance Committee of the Board which is vested with the responsibility of reviewing the adequacy of the internal controls, the framework, policies and processes deployed in identifying principal risks of the business and management of the Company's risk framework. The principal aim of Cutix Plc's risk management systems is to identify, evaluate and manage risks with a view to enhancing the value of shareholders' investments and safeguarding assets. Our risk management process is disciplined and methodical to ensure value addition and value protection for the Company. Cutix Plc

considers risk management philosophy and culture as the set of shared beliefs, values, attitudes and practices that characterize how it considers risk in everything it does, from strategy development and implementation to its day-to-day activities.

20. Monitoring Compliance with Corporate Governance

The Company's Chief Compliance Officer who is also the Company Secretary monitors compliance with the requirements and the implementation of the Code of Corporate Governance. The Company Secretary forwards regular returns to the regulatory bodies and also on corporate governance compliance.

21. Complaint Management Policy

The Company has Complaint Management Policy in place for the shareholders in compliance with the requirements of the

Corporate Governance Report cont'd

Securities and Exchange Commission (SEC). The Policy sets out the broad framework by which the Company handles shareholder's complaints in a fair, impartial, efficient and timely manner.

22. Whistle Blowing Policy

The Company has a whistleblowing system in place. This provides an avenue for employees and third parties dealing with the Company to report concerns about any suspected misconduct which may arise from the violation of laws and regulations, the Company's Code of Business ethics or the various policies, rules, standards and procedures under which the Company operates. The Board has continued to set the tone for strong ethical and professional standards in terms of ensuring that shareholders' reputation and financial assets are safeguarded. This encourages employees at all levels to inform Management of any negative development that might impede the value, performance and image of the Company. Any staff, consultant, director or member of the public who in good faith reports an irregularity in compliance with the provisions of the policy shall be protected against any act of retribution. Internally, there are opinion boxes kept in strategic locations to enable employees report any identified breach in the Company. The Company has a dedicated hotline and e-mail address provided for the purpose of whistleblowing which are 08146573633 and whistleblower@cutixplc.com.ng respectively.

23. Clawback Policy for Cutix Plc

Cutix Plc has policy in place for the potential recovery of excess incentive-based compensation paid or payable (whether based on cash or equity) to covered employees in the event the financial statements of the Company are restated or because of misconduct by the employee or noncompliance with the Financial Reporting requirement. The covered employees include any officer of the Company and any other individual designated from time to time by the Board. The Governance and Compensation Committee of the Board is responsible for overseeing the application of this policy.

24. Security Trading Policy

The Company has a policy guiding its Directors, Management and other related parties in trading on the securities of the Company as set out by the Nigerian Exchange Limited ("the Exchange or NGX"). The policy assists all the insiders of the Company to understand the restrictions placed on them concerning their securities transactions and to avoid insider dealing during Closed Periods. Directors, insiders and their related persons in possession of confidential price sensitive information ("insider information") are prohibited from dealing on the securities of the Company where such would amount to insider trading.

25. Effectiveness of Internal Control System

In Cutix Plc, the Enterprise Assurance Unit is responsible for monitoring and assessing the operation of the internal control system to ensure its effectiveness and for making recommendations for improvement. This is achieved by routine audit of harmonized systems of all the Units in the Company. The Enterprise Assurance Unit identifies risks and weaknesses in the system and proffers solution to eliminate them. To ensure independence of this important function, the line of reporting is clearly defined with the head of the unit reporting directly to the Audit, Risk and Compliance Committee of the Board quarterly while having a line of communication with the Chief Executive Officer.

26. Relationship With Stakeholders

Cutix Plc maintains effective communication with its shareholders and this enables them understand the Company's business, financial condition, operating performance and trends. Apart from our Annual Report and Accounts, proxy statements and formal shareholders' meetings, the Company maintains an investor's portal on the website that provides information on a wide range of issues for all stakeholders. The Company regularly files statutory returns to the Securities and Exchange Commission (SEC) and the Nigerian Exchange Limited ("the Exchange or NGX") which are usually accessible to the shareholders on the NGX's portal.

HIGHLIGHTS OF SUSTAINABILITY ISSUES

Report on Environmental, Social and Governance (ESG) Activities

Cutix Plc is committed to building an enduring institution that incorporates environmental, social and governance standards into her business operations and activities. The Company pays adequate attention to the interest of its stakeholders such as its shareholders, employees, host community, consumers, government, and the public. The Company is also sensitive to Nigeria's social and cultural diversity and promotes national interests as well as national ethos and values without comprising global aspirations where applicable. The Company has a culture of integrity and zero tolerance for corruption and corrupt practices. Our aim is to be recognized as the best performing, most trusted and respected brand in not just Nigeria, but the world. We understand that to achieve this, we need to deliver on our sustainable development commitments. We implemented initiatives that helped us advance our sustainable development strategy within the period under review as stated below:

A. Environment

i. Environmental Sustainability

Following our Company's culture which encourages fairness to all stakeholders, we are committed to protecting and caring for our community, strategies like the use of staff bus to commute employees to and from the workplace and the use of public power when available which contributed to the reduction of our carbon emission within the period.

In line with regulatory requirements, we ensure that we meet all the health, safety, and environmental standards because we recognize the importance of environmental issues to our stakeholders and their fundamental attribute to the long-term sustainability of Cutix Plc. We aim to achieve and maintain a sustainable environment, where our business poses no long-term critical degradation of natural resources, nor lasting damage to species, our habitats or climate.

Cutix Plc is focused on reducing any undesirable impact of its operations on the environment. We ensure that an Environmental Impact Assessment (EIA) is carried out before we commence any new project. Periodic audits are also carried out and recommendations are implemented where necessary.

Cutix Plc being an ISO 9001:2015 certified, conducts periodic audits of her systems and recommendations are implemented where necessary.

ii. Training and Welfare of Employees

We ensure their work is available and enhancing the skill of our workforce has always been our priority in Cutix Plc. We expose staff to both internal and external trainings once we observe a gap, introduce a new procedure, or develop an invention. Within the period under review, we organized trainings ranging from Health, Safety and Environment (HSE), Laser Marker & Strategic sales training amongst others. We aim at offering a competitive welfare package and providing a conducive working environment aligning every employee to ensure that we meet set organizational goals. We also introduced a reward programme in the company to enable us to attract, motivate and retain quality employees.

iii. Health and Safety of Employees

Occupational health and safety of employees is important for all operational activities in the Company and Management is committed to preventing industrial accidents through increased training on safety to both employees and contractors. The Company installed fire prevention and fire-fighting equipment in strategic locations within her premises. We occasionally conduct fire drills for employees to create safety awareness. Periodically, we engage the Red Cross Society for training and provision of basic information to staff and immediate host

Highlights of Sustainability Issues

community on safety and emergency responses. We occasionally invite medical experts and health institutions to carry out screening exercise to enable employees know their status regarding serious diseases and treatment.

B. Social Issues

i. Community Investment and Corporate Social Responsibility

Cutix Plc is committed to ensuring that she creates value for all the stakeholders and her host community who contribute to our business success. We passionately believe that Corporate Social Responsibility (CSR) should be at the forefront of our strategic objectives. Thus, the Company is committed to creating an enduring partnership for sustainable development. As part of our commitment to the welfare of the community where we operate, we

provided potable drinking water to alleviate the sufferings of the residents. The Company invites students and pupils of selected schools in the host community to her annual Children's Christmas party. The Company also provided electricity to our immediate neighbours which is aimed at giving back to the community.

ii. Sponsorships and Donations

Cutix Plc is the principal sponsor of the annual East of the Niger Inter-Club Tennis Tournament (ENIC). The Company also gives annual subvention to the Rehabilitation Centre for the Disabled, Old and Tramps (RECDOT) and the veterans. Financial assistance was given to approved vigilante groups, educational institutions and scholarships were given to indigent students during the period under review.



Donation to Legion of Mary Our Lady of Assumption Cathedral Nnewi for building of Legion of Mary Pilgrimage Center Auditorium, Okija



Donation of multipurpose Printer to Nigerian Association of Small and Medium Enterprise

Highlights of Sustainability Issues



Presentation of car to the Best Performed Distributor by the Founder



A Director of Cutix Plc, Sir Matthias Umego, Cutix staff and Executive Governor of Abia State - His Excellency Dr. Okezie Ikpeazu

Highlights of Sustainability Issues



Excursion visit by St John Model Secondary School Onitsha



ENIC Grand Finale, Sponsored by Cutix Plc



Presentation of Certificate of Inspection by Nigerian Custom Services

Highlights of Sustainability Issues

iii. Consumer Communication

The dangers encountered in using substandard electrical cables and wires have made Cutix Plc to continually educate and encourage the users of electrical cables and wires the need to constantly insisting on electrical products that conforms to standards. Our products are both human and environmentally friendly thereby making us distinctive in the cable manufacturing Industry. Customers can identify our products with our special features which are but not limited to:

- Inscription on the cable (cable type, size, voltage rating and brand name)
- A branded strapping tape for holding the wrap firm
- Label bearing the parameters as inscribed and the standard quantity per wrap.
- Branded wrapping poly sheet covering the cable without a hollow.
- Power cables packed in branded drums with the drum numbers boldly written.

The Company has provided various feedback channels that include website, emails, official phone numbers and feedback form circulated every quarter.

iv. Quality Assurance and Product Safety

Everywhere in Nigeria and beyond, the name CUTIX CABLES, guarantees to the consumer that the product is safe and of a high standard. We also have National and International procedures to ensure that her product quality meets all standard requirements. Cutix Plc has consistently won the annual MANCAP revalidation and recertifications of all our product categories. Within the year, Cutix Plc expanded her products by adding 11 different new products.

v. Training Initiatives and Development of Employees

Human capability is a key factor for

corporate success in today's competitive business. Thus, a drive in the right direction for employees' development is imperative for sustainable superior performance of the Company. In Cutix Plc, our success is based on our people, and we treat each staff with respect and dignity while expecting everyone to promote a sense of personal responsibility. We recruit competent and motivated people who respect the Company's values. We provide equal opportunities for employees' development and advancement.

The long-term success of the Company depends on its ability to attract, retain and develop high quality and dedicated manpower employees. The key to achieving a meaningful competitive advantage and long-term business success is the continuous training and upgrading of skills at all levels of the company. Cutix skill certification policy enables employees to acquire skills that will enable them to achieve a long-term career with the company. We provide hands-on learning and classroom training for our employees both internally and externally.

vi. Gender Equality and Diversity

Cutix Plc values gender equality and diversity, hence, we are committed to creating a working environment with dignity and respect. We treat both genders and other stakeholders fairly and provide supportive and safe environment to all without discrimination. Our employees are made up of individuals from different parts of the country and every employee is given an equal opportunity for enhancement solely based on merit.

Gender Analysis

The total number of employees of the Company within the year under review by gender and level is as follows:

Highlights of Sustainability Issues

i. Analysis of Total Employees

	Gender Number			Gender Percentage	
	Male	Female	Total	Male	Female
Employees	174	69	243	71%	29%

ii. Analysis of Board members and Top Management

	Gender Number			Gender Percentage	
	Male	Female	Total	Male	Female
Board Members (Executive & Non - Executive Directors)	6	3	9	63%	37%
Senior Management (AGM - GM)	-	1	1	-	100%

C. Governance Issues

i. Business Ethics

Our commitment to doing business ethically and legally is the foundation of the Company's culture which is shaped by its six core values -Boldness, Excellence, Innovation, Integrity, Openness and Proactiveness. These values guide our actions in conducting business in a socially responsible and ethical manner.

We conduct our operations with honesty, integrity, openness, and with respect for the human rights and interests of our employees. Similarly, we respect the legitimate interests of those with whom we relate. The company is committed to providing branded products and services which consistently offer value in terms of price and quality, and which are safe for their intended use. Our business operations are conducted in accordance with national and internationally accepted

principles of good corporate governance. We provide timely, regular and reliable information on our activities, structure, financial situation and performance to all shareholders and legal authorities.

In doing our business, we strive to remain a disciplined and trusted corporate citizen and, as an integral part of the society, fulfill our responsibilities to the societies and communities in which we operate. The company made provision for assistance in the fields of health, education, and free medical check-up for immediate neighbors during her safety week. Potable water is also provided for the community as part of her social responsibility programme. The Board of Directors of the company is responsible for ensuring that the code is communicated to, understood, and observed by all employees.

Highlights of Sustainability Issues

ii. **Bribery and Corruption**

Cutix Plc condemns any form of bribery and corruption. Our employees must never, directly or through intermediaries, offer or promise any personal or improper financial or other advantages to obtain or retain a business or other favours from a third party, whether public or private. Employees are not allowed to offer or receive bribe.

iii. **Relationship with Regulators**

Cutix Plc maintains a cordial relationship with all relevant regulatory authorities. The Company promptly complies with and responds to all requests made, according to the law, and provides information to the regulators and other relevant agencies.

iv. **Customer and Supplier Relations**

Cutix Plc has been committed to demonstrating honesty, integrity and fairness to her customers, contractors, suppliers, agents, and employees thus, they are in return expected to adhere strictly to the company's non-negotiable standards for smooth and fair relationship between both parties.

substantial compliance with the provisions of the Code of Corporate Governance and the requirements of the Regulators.

29. **Independent Auditors**

Ngozi Monica Okonkwo & Co. who was appointed in November 2020 acted as the Company's Independent Auditor during the year under review. The firm has indicated its willingness to continue in office as Independent Auditor in accordance with Section 401 (2) of the Companies and Allied Matters Act 2020. The Independent Auditor will be re-appointed at the next Annual General Meeting of the Company without any resolution being passed.

BY ORDER OF THE BOARD



CHINWENDU NWOKPORO (ACIS)
COMPANY SECRETARY
FRC/2019/ICSAN/00000019775
JUNE 23, 2022

28. **Statement of Compliance With Corporate Governance**

The Company complies with the legislation and applicable regulations of the Nigerian Exchange Limited (NGX), the Securities & Exchange Commission (SEC) and Financial Reporting Council (FRC). The Directors confirm that, to the best of their knowledge and as at the date of this report, the Company has been and is in

STATEMENT OF DIRECTORS' RESPONSIBILITIES

For the period ended 30 April 2022

The Directors accept responsibility for the preparation of the consolidated and separate financial statements that give a true and fair view in compliance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Allied Matters Act, 2020 and Financial Reporting Council of Nigeria Act, 2011.

In preparing the financial statements, the Directors are responsible for:

- Ensuring that the Company keeps proper accounting records which disclose with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act of Nigeria, and the Financial Reporting Council of Nigeria Act;
- Designing, implementing and maintaining an effective and sound system of internal controls throughout the Company to safeguard the assets and prevent and detect fraud and other irregularities;
- Preparing the Company's financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied.

The Directors are of the opinion that the consolidated and separate financial statements give a true and fair view of the state of the financial affairs of the Company and Group and of the financial performance and cashflows for the year. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the Directors to indicate that the Company and Group will not remain a going concern for at least twelve months from the date of this statement.

The financial statements of the Company and Group for the year ended 30th April 2022 were approved by the Directors on 23rd June 2022.

SIGNED ON BEHALF OF THE DIRECTORS OF THE COMPANY BY:



Amb. Okwudili Nwosu
Chairman
FRC/2019/NSE/00000019801



Mrs. Ijeoma Oduonye (ACIS)
Chief Executive Officer
FRC/2016/ICSAN/00000015363

STATUTORY AUDIT COMMITTEE'S REPORT

For the period ended 30 April 2022

TO THE MEMBERS OF CUTIX PLC

In compliance with the provisions of section 404(7) of the Companies and Allied Matters Act 2020, we confirm that we have:

1. Reviewed the scope and planning of the audit requirements
2. Reviewed the external auditors' Management Letter for the year ended 30 April 2022, as well as the Management's response thereon; and
3. Reviewed the effectiveness of the Company's system of accounting and internal controls
4. Ascertained that the accounting and reporting policies of the Company for the year ended 30 April 2022 are in accordance with legal requirements and agreed ethical practices.

In our opinion, the scope and planning of the audit for the year ended 30 April 2022 were adequate and Management's responses to the External Auditors' findings were satisfactory.

In addition, the scope, planning and reporting of these Financial Statements were in compliance with the requirement of the Financial Reporting Standards as adopted by the Company.

Dated this 22nd June 2022



Mr. Chima Nwosu (ACA)
Chairman, Audit Committee
FRC/2013/ICAN/00000001042

Members of the Audit Committee

Mr. Chima Nwosu	Chairman	(Shareholders' Representative)
Chief Edmund U. Njoku	Member	(Shareholders' Representative)
Mr. Jude Okpala	Member	(Shareholders' Representative)
Mr. Ike Okonkwo	Member	(Directors' Representative)
Dr. Dozie Nsoedo	Member	(Directors' Representative)

(The Company Secretary served as the Secretary to the Committee)

STATEMENT OF CORPORATE RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

For the period ended 30 April 2022

In line with the provision of Section 405 of CAMA 2020, we have reviewed the audited financial statements of the Company for the year ended 30th April 2022 and based on our knowledge confirm as follows:

1. The audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading.
2. The audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the company as of and for the period ended 30th April 2022.
3. The Company's Internal Controls have been designed to ensure that all material information relating to the Company and its Subsidiary is received and provided to the Auditors in the course of the Audit.
4. The Company's Internal Controls were evaluated within 90 days of the financial reporting date and are effective as at 30th April 2022.
5. That we have disclosed to the Company's Auditors and Audit Committee the following information:
 - a. There are no significant deficiencies in the design or operation of Company's Internal Controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and have discussed with the Auditors any material weaknesses in Internal Controls observed in the cause of the audit.
 - b. There is no fraud involving management or other employees which could have any significant role in the Company's Internal Controls.
6. There are no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of this audit, including any corrective actions with regard to any observed deficiencies and material weakness.

Dated this 23rd day of June 2022



Mrs. Jane Ebere Nwabueze (ACA)
Chief Financial Officer
FRC/2021/001/00000025337



Mrs. Ijeoma Oduonye (ACIS)
Chief Executive Officer
FRC/2016/ICSAN/00000015363



BN 986676

Ngozi Monica Okonkwo & Co.

(Chartered Accountants & Fraud Examiners)

Duplex 11 Ugochukwu Housing Estate, SabMiller Crescent
Off Atani Road, P. O. Box 14431, Onitsha, Anambra State
Phone: 0803 322 1761 Email: ngmonik@yahoo.co.uk

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CUTIX PLC

Report on Audit of the Financial Statements

Our Opinion

In our opinion, the consolidated and separate financial statements of Cutix Plc (“**the Company**”) and its subsidiary (together referred to as “**the Group**”) give a true and fair view of the consolidated and separate financial position of Cutix Plc as at 30th April 2022 and the consolidated and separate financial performance and statement of cash flows for the year then ended in accordance with the International Financial Reporting Standards, the Companies and Allied Matters Act 2020 and the Financial Reporting Council of Nigeria Act, 2011.

What We Audited

- Consolidated and Separate Statement of Financial Position as at 30th April 2022,
- Consolidated and Separate Statement of Comprehensive Income for the year ended, 30th April 2022,
- Statements of Changes in Equity for the year ended, 30th April 2022,
- Consolidated and Separate Statement of cash flows for the year ended, 30th April 2022,
- The Notes to the Financial Statements, which include a summary of significant accounting policies.

Basis of Our Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current year.

No matters was addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The Directors are responsible for the other information. The other information comprise Performance Highlights, Mission Statements, Corporate Information, Board of Directors' and Company Secretary's Profile, Directors' Report, Statement of Directors' Responsibilities, Audit Committee's Report, Value Added Statement, Five-year Financial Summary and Cutix Plc's distributors (but does not include the financial statements and our Auditor's Report, thereon), which we obtained prior to the date of this auditors' report, and the other sections of the Company's 2022 Annual Report, which are expected to be made available to us after that date.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our

Report of The Independent Auditors to the Members of Cutix Plc cont'd

responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, if we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies and Allied Matters Act 2020, Financial Reporting Council Act, 2011 and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due

to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material

Report of The Independent Auditors to the Members of Cutix Plc cont'd

uncertainty exists relating to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern.

- If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the Group and Company's financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee and the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee and Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee and/or the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters.

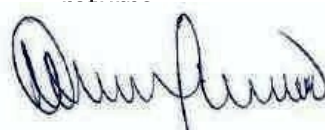
We describe these matters in our auditors' report

unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the benefits derivable by the public from such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Sixth Schedule of the Companies and Allied Matters 2020, we expressly state that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- ii. The Group and Company have kept proper books of account, so far as appears from our examination of those books and returns adequate for our audit have been received from branches not visited by us.
- iii. The Group and Company's statement of financial position, statements of profit or loss and comprehensive income are in agreement with the books of account and



Ngozi Monica Okonkwo, FCA
(Engagement Partner)
FRC/ICAN/2013/00000000916
For: NGOZI MONICA OKONKWO & CO
(Chartered Accountants)
ONITSHA-NIGERIA
27th June 2022.



CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended 30 April 2022

		Group		Company	
	Note	30/4/2022 N'000	30/4/2021 N'000	30/4/2022 N'000	30/4/2021 N'000
Revenue	6	7,867,764	6,749,840	7,852,391	6,745,521
Cost of Sales	7	(5,745,456)	(5,012,265)	(5,732,426)	(5,004,162)
Gross Profit		2,122,308	1,737,575	2,119,965	1,741,358
Selling and Distribution Expenses	8	(163,802)	(131,934)	(162,998)	(131,735)
Administrative Expenses	9	(670,293)	(581,940)	(664,028)	(578,318)
Operating (Loss)/ Profit		1,288,213	1,023,701	1,292,939	1,031,305
Other Income	10	83,150	49,323	82,585	49,323
Finance Cost	11	(213,722)	(173,198)	(213,722)	(173,198)
Profit Before Tax	12	1,157,642	899,827	1,161,802	907,431
Income Tax Expense	13	(371,335)	(305,804)	(371,335)	(305,804)
Profit for the Year		786,307	594,023	790,467	601,627
Other Comprehensive Income					
Goodwill written off		-	(50,938)	-	-
Total Comprehensive Income for the year					
Total Comprehensive Income for the year		786,307	543,085	790,467	601,627
Earnings per Share (Kobo) - Basic		22	31	22	34


The notes to the financial statements form an integral part of these financial statements.


CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION


For the period ended 30 April 2022

		Group		Company	
		30/4/2022	30/4/2021	30/4/2022	30/4/2021
<u>Assets:</u>	Note	N'000	N'000	N'000	N'000
Non-Current Assets					
Property, Plant and Equipment	14	1,054,801	997,158	927,040	866,953
Intangible Assets	15	3,035	4,553	3,035	4,553
Long Term Prepayments	16	1,092	3,665	1,092	3,665
Investment	17	-	-	143,383	179,228
Total Non-Current Assets		1,058,928	1,005,376	1,074,550	1,054,399
Current Assets					
Inventories	18	2,754,237	2,433,424	2,718,392	2,400,683
Trade and other Receivables	19	1,165,944	1,227,505	1,160,583	1,222,441
Other Prepayments	20	12,354	15,310	12,354	15,310
Cash and Bank Balances	21	124,637	110,576	120,592	108,618
Total Current Assets		4,057,172	3,786,814	4,011,921	3,747,053
Total Assets		5,116,100	4,792,192	5,086,471	4,801,452
<u>Equity and Liabilities</u>					
<u>Equity:</u>					
Capital and Reserves					
Share Capital	23	1,761,322	880,661	1,761,322	880,661
Retained Earnings	24	943,134	1,275,129	1,005,838	1,333,672
Total equity attributable to owners of the Company		2,704,456	2,155,790	2,767,160	2,214,333
<u>Liabilities:</u>					
Non-Current Liabilities					
Deferred Tax Liabilities	13.3	214,267	200,848	210,185	196,766
Borrowings	25	-	81,844	-	81,844
Total Non-Current Liabilities		214,267	282,692	210,185	278,610
Current Liabilities					
Short Term Borrowings	16	1,104,173	1,463,102	1,053,511	1,463,102
Trade and other Payables	22	723,236	600,668	685,648	555,468
Current Tax Liabilities	12.2	369,969	289,941	369,969	289,941
Total Current Liabilities		2,197,378	2,353,711	2,109,127	2,308,511
Total Liabilities		2,411,644	2,636,402	2,319,312	2,587,121
Total Equity and Liabilities		5,116,100	4,792,192	5,086,471	4,801,452

The Financial Statements on pages 51 to 55 and Notes to the Financial Statement on pages 56 to 85 were approved by the Board of Directors on 23rd June, 2022 and signed on its behalf by:


Amb. Okwudili Nwosu
Chairman
FRC/2019/NSE/00000019801


Mrs. Ijeoma Oduonye (ACIS)
Chief Executive Officer
FRC/2016/ICSAN/00000015363


Mrs. Jane Ebere Nwabueze (ACA)
Chief Financial Officer
FRC/2021/001/00000025337

STATEMENT OF CHANGES IN EQUITY

For the period ended 30 April 2022

Group	Share Capital N'000	Retained Earnings N'000	Total N'000
Balance at May 1, 2021	880,661	1,275,129	2,155,790
Changes in Equity for the year	880,661	(880,661)	-
Revaluation Reserve	-	-	-
Profit for the year	-	786,307	786,307
Other Comprehensive items for the year	-	-	-
Total Equity in the year	1,761,322	1,180,775	2,942,097
Transactions with owners recorded directly in Equity			
Dividend paid during the year	-	(264,198)	(264,198)
Unclaimed Dividend written back	-	26,558	26,558
Total Transactions with owners	-	(237,640)	(237,640)
At April 30, 2022	1,761,322	943,134	2,704,456
Balance at May 1, 2020	880,661	924,976	1,805,637
Changes in Equity for the year	-	-	-
Revaluation Reserve	-	-	-
Profit for the year	-	594,023	594,023
Other Comprehensive Income for the year	-	(50,938)	(50,938)
Total Equity in the year	880,661	1,468,061	2,348,722
Transactions with owners recorded directly in Equity			
Dividend paid during the year	-	(220,165)	(220,165)
Unclaimed Dividend written back	-	27,233	27,233
Total Transactions with owners	-	(192,932)	(192,932)
At April 30, 2021	880,661	1,275,129	2,155,790

STATEMENT OF CHANGES IN EQUITY

For the period ended 30 April 2022

Company	Share Capital N'000	Retained Earnings N'000	Total N'000
Balance at May 1, 2021	880,661	1,333,671	2,214,332
Changes in Equity for the year	880,661	(880,661)	-
Revaluation Reserve			
Profit for the year		790,467	790,467
Other Comprehensive Income for the year	-	-	-
Total Equity in the year	1,761,322	1,243,477	3,004,799
Transactions with owners recorded directly in equity			
Dividend paid during the year	-	(264,198)	(264,198)
Unclaimed Dividend written back	-	26,558	26,558
Total transactions with owners	-	(237,640)	(237,640)
At April 30, 2022	1,761,322	1,005,838	2,767,160
Balance at May 1, 2020	880,661	924,976	1,805,637
Changes in Equity for the year			-
Profit for the year		-	-
Other Comprehensive Income for the year	-	601,627	601,627
Total Equity in the year	880,661	1,526,603	2,407,264
Transactions with owners recorded directly in Equity			
Dividend paid during the year	-	(220,165)	(220,165)
Unclaimed Dividend written back	-	27,233	27,233
	-	192,932	(192,932)
Total transactions with owners			
At April 30, 2021	880,661	1,333,671	2,214,332

CONSOLIDATED AND SEPARATE STATEMENT OF CASHFLOWS

For the period ended 30 April 2022

		Group		Company	
		30/4/2022	30/4/2021	30/4/2022	30/4/2021
	Note	N'000	N'000	N'000	N'000
Cashflow from Operating Activities					
Cash Receipts from Customers		7,733,153	6,399,263	7,687,888	6,392,637
Cash Paid to Suppliers and Employees		(5,970,035)	(5,649,890)	(5,900,747)	(5,646,365)
Value Added Tax - Input		295,115	39,739	295,115	39,739
Value Added Tax - (Output)		(590,103)	(217,256)	(588,929)	(217,207)
Cash Generated from Operations		1,470,535	571,856	1,493,327	568,804
Income Taxes paid through WHT		-	(13,071)	-	(13,071)
Tax Paid	13.1	(289,911)	(259,778)	(289,911)	(259,778)
Net cash flow from Operating Activities		1,180,624	299,007	1,203,416	295,955
Cashflow from Investing Activities					
Purchase of Property, Plant and Equipment	14	(250,881)	(252,275)	(250,881)	(252,275)
Purchase of Intangible Assets	15	-	-	-	-
Acquired from Business Combination	14	-	(156,688)	-	-
Sales proceed from disposal of Assetss		2,235	2,264	2,235	2,264
Investment - Adswitch			(30,811)	-	(179,228)
Net Cash used for Investing Activities		(248,645)	(437,509)	(248,646)	(429,239)
Cashflow from financing Activities					
Dividend paid		(264,198)	(220,166)	(264,198)	(220,166)
Unclaimed Dividend written back		26,558	27,233	26,558	27,233
Finance Costs		(213,722)	(173,198)	(213,722)	(173,198)
Long Term Borrowing	25	(81,844)	(245,769)	(81,844)	(245,769)
Short Term Borrowing	26	(384,713)	693,357	(409,591)	686,181
		(917,917)	81,458	(942,796)	74,282
Net Cash (used)/ generated in Financing Activities					
Net Increase in Cash and Cash Equivalents		14,062	(57,045)	11,974	(59,002)
Cash and Cash Equivalents at beginning of year	21.1	110,575	167,620	108,618	167,620
Cash and Cash Equivalents at end of year	21.1	124,637	110,575	120,592	108,618

NOTE TO THE FINANCIAL STATEMENT

For the period ended 30 April 2022

1 The Company

1.1 Legal Form

Cutix Plc was incorporated on November 4, 1982 as a private limited liability Company. The Company was initially quoted in the second tier of the Nigerian Stock Exchange on August 12, 1987 and later migrated to the first tier of the Stock Exchange on February 18, 2008. The address of Company is 17, Osita Onyejianya Street, Umuanuka, Otolu Nnewi, Anambra State.

1.2 Principal Activity

The principal activities of the Company is manufacturing and marketing of electrical, automobile and telecommunication wires, cables and related products.

2 Basis of Preparation of Accounts

2.1 Statement of Compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). It is also prepared in compliance with the Companies and Allied Matters Act and Financial Reporting Council of Nigeria, Act No. 6, 2011 (as amended).

2.2 Basis of Measurement

The financial statements have been prepared under the historical cost convention, except for the areas as indicated below:

- Available for sale financial assets are measured at fair value,
- Financial instruments are measured at fair value,
- Loans and advances are stated at Amortised cost,
- Inventory is measured at net realisable value,
- Land and buildings are carried at cost or revalued amount,

- Investment properties are measured at fair value, and
- Defined benefit asset is recognised at the net total of the plan assets plus unrecognised past service cost and unrecognised actuarial loss, less unrecognised actuarial gains and the present value of the defined benefit obligation.

Judgments made by management in the application of IFRS that have significant effect on the financial statements and estimates that may have significant risk of material adjustment in the next year are discussed in note 5.

2.3 Functional and Presentation Currency

The financial statements are drawn up in Naira (N) which is the functional currency of Cutix Plc and the figures are rounded to the nearest thousands except stated otherwise.

2.4 Composition of Financial Statements

The Company has been preparing its financial statements under IFRS comprises of:

- Statement of profit or loss and other comprehensive Income
- Statement of financial position
- Statement of changes in equity
- Statement of cash flows
- Notes to the financial statements

2.5 Financial Period

These financial statements cover the financial year ended 30th April 2022, with comparative amounts for the financial year ended 30th April 2021.

2.6 Going Concern Considerations

The business entity will continue to operate in the foreseeable future without the need or intention on the part of management to liquidate the entity or to significantly curtail its operational activities as the Company has

Note to the Financial Statement

continued

consistently been making profits. The Directors believe that there is no intention or threat from any source to curtail significantly its lines of business in the foreseeable future.

2.7 Critical Estimates and Judgments

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Company's financial statements therefore present the financial position and results fairly.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

3. Significant Accounting Policies

The significant accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Property, Plant and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Such cost includes the cost of replacing component parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the

Company derecognises the replaced part, and recognises the new part with its own associated useful life and depreciation. Likewise, when a major inspection is performed, its costs are recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

Land is carried at cost, less any recognised impairment loss.

When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

3.1.1 Subsequent Costs

Cost arising subsequent to the acquisition of an asset are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the income statement during the financial year in which they are incurred.

3.1.2 De-recognition

Items of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in income statement in the year the asset is derecognised.

3.1.3 Depreciation of Property, Plant and Equipment

Depreciation is calculated on a straight-line basis to write-off assets over their estimated useful lives. Land and assets under construction (work-in-progress) are not depreciated.

Note to the Financial Statement

continued

Depreciation starts when an asset is ready for use and ends when derecognised or classified as held for sale. Depreciation does not cease when the asset becomes idle or retired from use unless the asset is fully depreciated.

	Useful life
Land	Lease period
Buildings & Infrastructure	15 to 40 years
Shops	5 to 30 years
Borehole & Tanks	10 years
Furniture & Fittings	10 years
Generating Sets	5 years
Machine Components	4 years
Plant & Machinery	
& Equipment	10 years
Motor Vehicles	4 years
Computer Equipment	2 years

3.1.4 Asset Useful Lives and Residual Values

Property, plant and equipment are depreciated over their useful lives taking into account residual values where appropriate. The actual useful lives of the assets and residual values are assessed annually. In reassessing asset useful lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

3.1.5 Provision for Dismantling/Restoration Cost

The provisions are computed by reference to estimates of future anticipated dismantling costs and the corresponding amounts added to the asset under property, plant and equipment for assets measure using the cost model. For assets measured using the revaluation model, subsequent changes in the liability are recognised in revaluation reserves through OCI to the extent of any credit balances existing in the revaluation surplus reserve in

respect of that asset. The present values are determined using pre-tax rate which reflects current market assessments of the time value of money and the risk specific to the obligation.

Provisions are recognised whenever a legal or constructive obligation arising from past events, the outflow of resources to settle the liability can be estimated reliably. Provisions are discounted if the effect is material.

However, no provision was made in the financial statements.

3.1.6 Related Parties (IAS 24)

Related parties include the parent Company and other related entities. Directors, their close family members and any employee who is able to exert a significant influence on the operating policies of the Company are also considered to be related parties. Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

3.2 Intangible Assets

i Recognition and Measurement

Software acquired is stated at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

ii

Amortisation is recognised in profit or loss on a straight line basis over the estimated useful life of the software from the date it is available for use. The

Note to the Financial Statement

continued

estimated useful lives for the current and comparative years of significant items of intangible assets are as follows:

Odoo ERP 5 years

3.2.2 Derecognition of Intangible Assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

3.2.3 Subsequent Expenditure

Subsequent expenditure on computer software and development cost are capitalised only when there is future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

3.2.4 Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in income statement on a straight line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this must closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

3.2.5 Non-Current Assets held for Sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. Immediately before classification as held

for sale, the assets, or components of a disposal Group, are re-measured in accordance with the Company's accounting policies. Thereafter the assets, or disposal Group, are measured at the lower of their carrying amount and fair value less costs to sell.

Impairment losses on initial classification as held for sale and subsequent gains or losses on re-measurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

3.3 Taxation

The income tax expense represents the estimated sum of the tax currently payable and deferred tax.

3.3.2 Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.3.3 Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Note to the Financial Statement

continued

Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted at the reporting date. Deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off.

3.3.4 Tax Exposure

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

3.4 Inventory

Inventories are valued at the lower of cost and net realisable value. Cost is generally determined on a weighted average basis. Costs that are incurred in bringing each product to its present location and condition are accounted for as follows:

a. Raw Materials

* Purchase cost on a weighted average cost basis.

b. Finished Goods and Work-in-Progress

* Cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

c. Other Inventories and Spares

* The cost of other inventories is based on weighted average. Spare parts are valued at the lower of cost and net realisable value. Value reduction and usage of spare parts are charged to statement of profit or loss and other comprehensive income.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The production costs comprise direct materials, direct labour and an appropriate of manufacturing fixed and variable overheads. Allowance is made for obsolete, slow moving or defective items where appropriate.

3.4.1 Treatment of Goods in Transit

Goods in transit are recognised in the books as soon as significant risk and rewards of ownership is transferred to the customer i.e., date of shipment.

3.5 Receivables

3.5.1 Trade Receivables

Trade receivables are carried at the original amount due from customers, which is considered to be fair value, less

Note to the Financial Statement

continued

allowances for doubtful accounts. Allowance for doubtful accounts is based on a periodic review of all outstanding amounts, where significant doubt about collectability exists, including an analysis of historical bad debt, customer concentrations, customer creditworthiness, current economic trends and changes in our customer payment terms. Significant debt balances are provided for based on the criteria mentioned above and non-significant debts are tested collectively for impairment. Bad debts are written off when identified as uncollectible, and are included within other operating expenses. Subsequent recoveries of amounts previously provided for are credited to the statement of profit or loss and other comprehensive income.

3.6 Financial Instruments

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity, investments and available for sale. The classification is determined by management at initial recognition and depends on the purpose for which the investments were acquired.

Financial instruments carried at the financial position date include the loans and receivables, accounts receivable, cash and cash equivalents, borrowings and accounts payables. Financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition financial instruments are measured as described below.

3.6.1 Financial Assets

The classification of financial assets depends on the purpose for which the financial assets were acquired.

Management determines the classification of its financial assets at initial recognition. The financial assets carried at statement of financial position date are classified as 'loans and receivables'.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those that the Company intends to sell in the short term or that it has designated as fair value through profit or loss or available for sale. The Company does not use derivative financial instruments.

Loans and Receivables

Loans and receivables include loans to staff and are initially measured at cost but subsequently at Amortised cost using the effective interest rate method less impairment. Loans are subject to regular and thorough review as to their collectability and as to available collateral. In the event that any loan is deemed not fully recoverable, impairment is made to reflect the shortfall between the carrying amount and the present value of the expected cash flows. Interest income on loans receivable is recognised by applying the effective interest rate. The long term portion of loans receivable is included on the statement of financial position under long-term loans receivable and the current portion under current portion of long-term loans receivable. However, where the impact of measuring these loans at Amortised cost is not significant, the receivables are carried at cost.

Financial Assets Measured at Amortised Costs -Trade and Other Receivables

Financial assets measured at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Financial assets measured at amortised

Note to the Financial Statement

continued

cost (including [trade and other receivables, and cash and bank balances) are measured at amortised cost using the effective interest method, less any impairment.

Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, cash balances with banks, other short term highly liquid investments with original maturity of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown as borrowings in current liabilities.

Impairment of Financial Assets Measured at Amortised Cost - Trade and Other Receivables

Financial assets measured at amortised cost are assessed for indicators of impairment at the end of each reporting period on a collective basis even if they were assessed not to be impaired individually. The amount of the impairment loss is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted (if significant) at the financial asset's original effective interest rate. The carrying amount is reduced through the use of an allowance account. Any uncollectible amount is written off against the allowance account while subsequent recoveries of amounts previously written off are credited against the allowance account. Previously recognised impairment loss is reversed in subsequent periods through profit or loss to the extent that the carrying amount at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3.6.2 De-recognition of Financial Assets

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the

Company transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

3.6.3 Financial Liabilities

The Company's financial liabilities at statement of financial position date include Borrowings and Trade payables (excluding VAT and employee related payables). These financial liabilities are subsequently measured at Amortised cost using the effective interest rate method. Financial liabilities are included in current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the statement of financial position date. However, where the impact of measuring trade payable at amortised cost is insignificant, trade payables are carried at cost.

Trade Payables

Trade payables are stated at their original invoiced value. If there is an agreement that interest or premium be paid, it will be calculated and added to the initial amount.

Borrowings

Borrowings, inclusive of transaction cost, are recognised initially at fair value. Borrowings are subsequently stated at Amortised costs using the effective interest rate method, any difference between proceeds and the redemption value is recognised in the income statement over the period of the borrowing using the effective interest rate method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12

Note to the Financial Statement

continued

months after the statement of financial position date.

Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

3.6.4 Impairment of Financial Assets

All financial assets, except for those at fair value through profit or loss, are assessed for indicators of impairment at each reporting date.

3.7 Leases

The Company has adopted IFRS 16, "Leases" as issued by the IASB in July 2014 with a date of transition of 1 January 2019, which resulted in changes in accounting policies. As permitted by the transitional provision of the standard, the Company may choose the modified retrospective approach to the application of IFRS 16. This approach allows the Company not to restate comparative financial information. The major impact of the adoption of this standard is that the Company will be required to capitalize all leases (i.e. recognize a right-of-use asset and a lease liability) with the exemption of certain short-term leases and leases of low-value assets. However, this standard does not change the accounting for leases of the Company in the year under review.

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Other leases are classified as operating leases and are not recognised on the Company's statement of financial position. Payments made under operating leases are recognised in the profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3.8 Application of new and revised International Financial Reporting Standards (IFRS) and Interpretations to

Note to the Financial Statement

continued

Standards

The following new standard, amendment to standard and interpretation are effective for the period under review.

3.8.1 IFRS 16 - Leases

IFRS 16 replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases - Incentives and SIC - 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customers ('lease') and the supplier ('lessor'). IFRS 16 eliminates the classification of leases as operating leases or finance leases as required by IAS 17 and introduces a single lessee accounting model. Applying that model, a lessee is required to recognize;

- v Assets and Liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value; and
- v Depreciation of lease assets separately from interest on lease liabilities in the Profit or Loss. For the lessor, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those types of leases differently.

3.8.2 Amendments to IFRS9 Prepayment Features with Negative Compensation

the amendments to IFRS 9 clarify that for the purpose of assessing whether a prepayment feature meets the Solely Payment of Principal and Interest (SPPI) condition, the party exercising the option may pay or receive reasonable compensation for the prepayment

irrespective of the reason for prepayment. In other words, prepayment features with negative compensation do not automatically fail SPPI.

The amendments have no impact on the Company's accounts.

3.8.3 Amendments to IAS 28 Long-term Interests in Associates and Joint Ventures

The amendment clarifies that IFRS 9, including its impairment requirements, applies to long term interests. Furthermore, in applying IFRS 9 to long term interests, an entity does not take into account adjustments to their carrying amount required by IAS 28 (i.e., adjustments to the carrying amount of long term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

The amendments have no impact on the Company's accounts.

3.9 Annual Improvements to IFRS Standards 2015 - 2017 Cycle

The Annual Improvements include amendments to four Standards.

3.9.1 IAS 12 Income Taxes

The amendments clarify that an entity should recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised the transactions that generated the distributable profits. This is the case irrespective of whether different tax rates apply to distributed and undistributable profits. This is the case irrespective of whether different tax rates apply to distributed and undistributed profits.

The amendments have no impact on the financial statements.

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3.9.2 IAS 23 Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset are ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings.

The amendments have no impact on the financial statements.

3.9.3 IFRS 3 Business Combinations

The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, the entity applies the requirements for a Business Combination achieved in stages, including remeasuring its previously held interest (PHI) in the joint operation at fair value. The PHI to be remeasured includes any unrecognised assets, liabilities and goodwill relating to the joint operation.

The amendments have no impact on the financial statements.

3.9.4 IFRS 11 Joint Arrangements

The amendments to IFRS 11 clarify that when a party that participates in, but such a joint operation, the entity does not remeasure its PHI in the joint operation.

All the amendments are effective for annual periods beginning on or after 1st January 2019 and generally require prospective application. Earlier application is permitted.

The Directors of the Company do not anticipate that the application of the amendments in the future will have an impact on the financial statements.

3.10 Amendments to IAS 19 Employee Benefits Plan Amendment, Curtailment or Settlement

The amendments clarify that the past service cost (or of the gain or loss on settlement) is calculated by measuring the defined benefit liability (asset) using updated assumptions and comparing benefits offered and plan assets before and after the plan amendment (or curtailment or settlement) but ignoring the effect of the assets ceiling (that may arise when the defined benefit plan is in a surplus position). IAS 19 is now clear that the change in the effect of the asset ceiling that may result from the plan amendment (or curtailment or settlement) is determined in a second step and is recognised in the normal manner in other comprehensive income.

The paragraphs that relate to measuring the current service cost and the net interest on the net defined benefit liability (asset) have also been amended. An entity will now be required to use the updated assumptions from this measurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. In the case of the net interest, the amendments make it clear that for the period post plan amendment, the net interest is calculated by multiplying the net defined benefit liability (asset) as remeasured under IAS 19 with the discount rate used in the remeasurement (also taking into account the effect of contributions and benefit payments on the net defined benefit liability (asset)).

The amendments are applied prospectively. They apply only to plan amendments, curtailments or settlements that occur on or after the beginning of the annual period in which the amendments to IAS 19 are first applied. The amendments to IAS 19 must be applied to annual periods beginning on or after 1st January 2019, but they can be applied earlier if an entity elects to do so.

Note to the Financial Statement

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The Directors of the Company do not anticipate that the application of these amendments in the future will have an impact on the Company's financial statements.

3.11 IFRIC 23 Uncertainty over Income Tax Treatments

The interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12. The interpretation does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

The interpretation has not impact on the Company's accounts.

3.14 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. Significant valuation issues are reported to the Audit Committee.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- v **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- v **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived

from prices)

- v **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs) in some cases, if the inputs used to measure the fair value of an asset or a liability is categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair value is included in Financial Instruments - Financial Risk Management and Fair Values (Note 31).

4.1 Revenue

This relates to the sale of goods to customers, exclusive of value added tax and less any discounts. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, recovery of the consideration is possible, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

4.2 Sales of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

4.3 Income Recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Company and the

Note to the Financial Statement

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revenue can be reliably measured, regardless of when the payment is being made. Income is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

4.4 Interest Income

For all financial instruments measured at Amortised cost and interest bearing assets classified as available for sale, interest income or expenses is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life or the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

4.5 Interest Expenses

Interest expenses on bank overdrafts, related party loans, borrowings and impairment losses recognised on financial liabilities are included under finance costs of the Company.

4.6 Cost of Sales

This item represents the full absorption cost of products sold. The full absorption cost comprises cost of direct materials, labour and the proportion of manufacturing overhead based on normal operating capacity and borrowing costs. The costs of raw materials and consumables are calculated based on the weighted average cost principle.

4.7 Post Employment Benefits:

4.7.1 Defined contribution plans

A defined contribution plan is a post employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions

to defined contribution pension plans are recognised as an expense in the income statement when they are due in respect of service rendered before the end of the reporting year.

The Company operates a defined contribution pension scheme for employees. Employees and the Company contribute 8% and 10% respectively of the qualifying staff salary in line with the provisions of the Pension Reforms Act 2014.

4.7.2 Termination Benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates:

- (a) When the group can no longer withdraw the offer of those benefits; and
- (b) When the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting year are discounted to their present value.

4.7.3 Productivity Incentive and Bonus Plans

All full time staff are eligible to participate in the productivity incentive scheme. The Company recognises a liability and an expense for bonuses and productivity incentive, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustment.

4.7.4 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events

Note to the Financial Statement

continued

and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are only disclosed and not recognised as liabilities in the statement of financial position. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

4.8 Provisions

4.8.1 General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expenses relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

4.8.2 Restructuring Provisions

Restructuring provisions are only recognised when general recognition criteria for provisions are fulfilled. Additionally, the Company needs to have in place a detailed formal plan about the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs and appropriate time-line. The people affected have a valid expectation that the restructuring is being carried out or the implementation has been initiated already.

4.9.1 Foreign Currency

Transactions in foreign currencies are initially recorded by the Company at the functional currency rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange ruling at the reporting date.

All differences are taken to the income statement with the exception of all monetary items that form part of a net investment in a foreign operation. These are recognised in other comprehensive income until the disposal of the net investment, at which time they are reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on transaction of non-monetary items is recognised in line with the gain

Note to the Financial Statement

continued

or loss of the item that gave rise to the transaction difference (translation differences on items whose gain or loss recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss respectively).

4.9.2 Employment of Disabled Persons

It is the policy of the Company that there should be no discrimination in considering applications for employment including those for disabled persons. As at 30th April 2022, there were three disabled persons in the employment of the Company.

4.9.3 Health, Safety at Work and Welfare of Company's Employees

Health and safety regulations are in force within the Company and employees are aware of existing regulations. The Company provides subsidy to all levels of employees for medical, transportation, housing, etc.

4.9.4 Earnings Per Share

The Company presents basic earnings per share for its ordinary shares. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of shares outstanding during the year. Adjusted earnings per share is determined by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares adjusted for the bonus shares issued. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held (if any), for the effects of all dilutive potential ordinary shares.

4.9.5 Share Capital

The Company has only one class of

shares: ordinary shares. Ordinary shares are classified as equity. When new shares are issued, they are recorded in share capital at their par value. The excess of the issue price over the par value is recorded in the share premium reserve.

4.9.6 Impairment of Non-Financial Assets

Goodwill and indefinite life intangible assets are considered for impairment at least annually. Property, plant and equipment, other intangible assets, available-for-sale investments and non-current assets held for sale are considered for impairment if there is a reason to believe that impairment may be necessary. Factors taken into consideration in reaching such a decision include the economic viability of the asset itself and where it is a component of a larger economic entity, the viability of the unit itself. Future cash flows expected to be generated by the assets are projected, taking into account market conditions and the expected useful lives of assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current net asset value and, if lower, the assets are impaired to the present value. If the information to project future cash flows is not available or could not be reliably estimated management uses the best alternative information available to estimate a possible impairment.

Assets that have an indefinite useful life are not subject to Amortisation and are tested annually for impairment. Assets that are subject to Amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable

Note to the Financial Statement

continued

amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

An impairment loss in respect of goodwill is not reversible. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

4.9.7 Segment Reporting

Segment results that are reported to the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly of head office expenses, and tax assets and liabilities.

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment) or in providing products or services within a particular economic environment (geographical segment) which is subject to result and returns that are different from those of other segments. Segment information is required to be presented in respect of the Company's business and geographical segment where applicable. Nigeria is the Company's primary geographical segment as all the

Company's income is derived in Nigeria. Additionally, the Company operates only in one business segment and accordingly, no further business or geographical information is required.

5.1 New Standards, Amendments and Interpretation not yet Effective

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1st January, 2021 and have not been applied in preparing these financial statements. The extent of the impact of these standards is yet to be determined. The Company does not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated.

5.1.1 IFRS 17 - Insurance Contracts effective for Annual Periods beginning 1st January 2022

The new Standards establish the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersede IFRS 4 Insurance Contracts. The Standard outlines a General Model, which is modified for insurance contracts with direct participation features, described as the Variable Fee Approach. The General Model is simplified if certain criteria are met by measuring the liability for remaining coverage using the Premium Allocation Approach. The General Model will use current assumptions to estimate the amount, timing and uncertainty of future cash flows and it will explicitly measure the cost of that uncertainty, it takes into account market interest rates and the impact of policy holders' options and guarantees. The implementation of the Standards is likely to bring significant changes to an entity's processes and systems, and will require much greater coordination between

Note to the Financial Statement *continued*

many functions of the business, including finance, actuarial and IT.

5.1.2 The Conceptual Framework for Financial Reporting (revised)

The revised Conceptual Framework for Financial Reporting (the Conceptual Framework) is not a standard, and none of the concepts override those in any standard or any requirements in a

standard. The purpose of the Conceptual Framework is to assist the Board in developing standards, to help preparers develop consistent accounting policies if there is no applicable standards in place and to assist all parties to understand and interpret the standards. It is effective for annual periods beginning on or after 1st January 2020.

	Group		Company	
	30/4/2022 N'000	30/4/2021 N'000	30/4/2022 N'000	30/4/2021 N'000
6 Revenue				
Analysis of the Company's Revenue is:				
Cables and Wire (see Note 6.1)	5,745,004	4,595,204	5,745,004	4,595,204
Metal Product Sales	36,454	5,359	36,454	5,359
Armored Cable Sales	2,070,932	2,144,958	2,070,932	2,144,958
Distribution Board	194	77	-	-
Feeder Pillars	-	1,425	-	-
Washing Machine	-	2,032	-	-
Switch Panels	13,702	785	-	-
Distribution Box	189	-	-	-
Fuse bases	58	-	-	-
Busbar chamber	168	-	-	-
Change over switch	1,062	-	-	-
	7,867,764	6,749,840	7,852,391	6,745,521
Cables and Wire Sales				
Cable Wire	5,267,087	4,184,747	5,267,087	4,184,747
Flexible Wire	279,796	222,149	279,796	222,149
Twisted Wire	187,580	180,735	187,580	180,735
Auto Wire	10,541	7,573	10,541	7,573
	5,745,004	4,595,204	5,745,004	4,595,204
7 Expenses by Nature - Cost of Sales				
Depreciation Expenses - Production	180,481	152,201	178,037	149,028
Insurance - Production	11,488	11,147	11,488	11,147
Maintenance - Production	59,527	62,487	58,459	62,200
Power Charges	25,594	47,711	25,594	47,711
Production Supplies	264,277	211,641	264,185	211,478
Production Wages	151,856	126,758	150,020	125,798
Raw Material Costs	4,952,854	4,176,466	4,945,263	4,172,947
Production Incentive	65,869	186,858	65,869	186,858
Motor Vehicle - COS	33,510	36,995	33,510	36,995
	-	-	-	-
	5,745,456	5,012,265	5,731,963	5,004,162

Note to the Financial Statement *continued*

	<i>Group</i>		<i>Company</i>	
	30/4/2022 N'000	30/4/2021 N'000	30/4/2022 N'000	30/4/2021 N'000
8 Expenses by Nature - Selling and Distribution Expenses				
Distribution Expenses	89,516	112,967	88,770	112,967
Advertisement and Promotions	74,287	18,967	74,229	18,768
	163,802	131,934	162,998	131,735
9 Expenses by Nature - Administrative Expenses				
Amortisation Charge	1,518	1,518	1,518	1,518
Audit Fees	4,500	4,500	4,000	4,000
Bad Debt	8,137	3,161	8,137	3,161
Bank Charges	14,115	12,850	14,064	12,838
Communication Expenses	12,269	10,711	12,254	10,702
Corporate Social Responsibility	6,473	7,154	6,473	7,154
Depreciation	48,515	34,843	48,515	34,773
Directors' Emolument	13,831	11,525	13,831	11,525
Entertainment Expenses	2,563	6,013	2,493	6,013
Insurance	9,169	9,145	9,169	9,145
Licensing & Fees	2,052	4,266	2,052	4,266
Medical and Welfare	70,533	35,040	70,317	35,040
Pension (Management Contribution)	34,759	31,103	34,759	31,103
Printing and Stationeries	2,732	8,276	2,659	8,241
Professional Services	7,275	5,339	7,275	5,339
Rent and Rates	19,113	16,162	19,108	16,126
Repairs and Maintenance	14,783	8,247	14,609	7,950
Research and Development	900	1,971	900	1,921
Parting gift	14,489	40,689	14,489	40,689
Security Expenses	-	2,421	-	2,421
Staff Salaries	245,447	204,133	241,887	202,275
Subscriptions and Periodicals	16,064	13,168	15,143	13,060
Training and Development	3,021	19,075	3,021	19,075
Transport and Traveling	98,940	75,930	98,479	75,661
Utility Expenses	9,075	8,697	8,856	8,319
Vehicle Operating Expenses	10,020	6,003	10,020	6,003
	670,293	581,940	664,028	578,318

Note to the Financial Statement *continued*

		<i>Group</i>		<i>Company</i>	
		30/4/2022 N'000	30/4/2021 N'000	30/4/2022 N'000	30/4/2021 N'000
10	Other Income				
	Profit/(Loss) on sale of	2,150	(12,418)	2,150	(12,418)
	Foreign Exchange Difference	(4,132)	11,796	(4,132)	11,796
	Sales of Scrap	68,132	49,946	67,567	49,946
	Import Grant	17,000	-	17,000	-
		83,150	49,323	82,585	49,323
<i>Exchange gain relates to both realised and unrealised difference on translation of foreign denominated</i>					
11	Finance Cost				
	Interest on Term Loans	98,168	64,232	98,168	64,232
	Interest on Commercial Papers	68,682	66,623	68,682	66,623
	Interest on Overdraft	46,872	42,343	46,872	42,343
		213,722	173,198	213,722	173,198
12	Profit for the year before Taxation				
	(Loss)/Profit before Taxation has been arrived at after charging/(crediting):				
	Directors' Fees	859	716	859	716
	Directors Remuneration	12,972	6,438	12,972	6,438
	Audit Fees	4,500	4,500	4,000	4,000
	Finance Cost	213,722	173,198	213,722	173,198
	Depreciation of Property, Plant	193,163	187,045	190,719	153,522
	Amortisation	1,518	1,518	1,518	1,518
	And after Crediting:				
	Other Income	87,282	37,528	86,717	37,528
	Exchange Gain/(Loss)	(4,132)	11,796	(4,132)	11,796

Note to the Financial Statement *continued*

		Group		Company	
		30/4/2022 N'000	30/4/2021 N'000	30/4/2022 N'000	30/4/2021 N'000
13	Tax Expense				
	Income Tax recognised in Profit or Loss				
	Current Tax				
	<i>Current Tax expense for Current year:</i>				
	Income Tax	323,960	268,102	323,960	268,102
	Education Tax	33,916	21,809	33,916	21,809
	NPTF Levy	40	30	40	30
	Deferred Tax (Note 13.3)	13,419	15,863	13,419	15,863
	Balance per Income Statement	371,335	305,804	371,335	305,804
	Current Liabilities in the Statement of Financial Position				
	Taxation on Profit on Ordinary	335,237	268,102	335,237	268,102
	Education Tax	34,663	21,809	34,663	21,809
	NPTF Levy	40	30	40	30
	Balance Brought Forward	369,939	289,941	369,939	289,941
	Payments during The Year	289,942	272,850	289,941	272,850
	Withholding Tax Utilised	(289,911)	(259,778)	(289,911)	(259,778)
	Balance per Statement of Financial Position	-	(13,071)	-	(13,071)
		369,969	289,941	369,969	289,941
13.2	Deferred Tax				
	At May 1, 2021				
	Charged to Profit or Loss	196,766	180,903	196,766	180,903
	At April 30, 2022	13,419	15,863	13,419	15,863
		210,185	196,766	210,185	196,766
	Reconciliation of Effective Tax Rate				
	Profit for the year	786,307	594,023	790,467	601,627
	Total Income Tax Expense	369,939	289,941	369,939	289,941
	Profit excluding Deferred Tax	1,156,246	883,964	1,160,407	891,568
	Effective Tax Rate	32%	33%	32%	33%

The charge for Taxation has been computed in accordance with the provisions of the Companies Income

Note to the Financial Statement *continued*

13.3 Deferred Tax

As at April 30, 2022

Deferred Tax Liability or Asset
inrelation to:

Property, Plant and Equipment

<i>Group</i>			
Opening Balance N'000	Recognised in Profit or Loss N'000	Recognised in OCI N'000	Closing Balance N'000
200,848	13,419		214,267
200,848	13,419	-	214,267

As at April 30, 2021

Deferred Tax Liability or Asset
inrelation to:

Property, Plant and Equipment

184,985	15,863	-	200,848
184,985	15,863	-	200,848

As at April 30, 2022

Deferred Tax Liability or Asset
inrelation to:

Property, Plant and Equipment

<i>Company</i>			
Opening Balance N'000	Recognised in Profit or Loss N'000	Recognised in OCI N'000	Closing Balance N'000
196,766	13,419		210,185
196,766	13,419	-	210,185

As at April 30, 2021

Deferred Tax Liability or Asset
inrelation to:

Property, Plant and Equipment

180,903	15,863		196,766
180,903	15,863	-	196,766

Note to the Financial Statement continued

14 Property, Plant and Equipment

Group												
	Land	Buildings & Infrastructure	Shops	Borehole & Tanks	Generating Sets	Machine Components	Plant & Machinery	Motor Vehicles Equipment	Computer Equipment	Furniture & Fittings	Capital Work in Progress	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Cost:												
As at May 1, 2020	62,383	380,720	4,200	23,353	184,839	10,189	876,555	173,841	84,917	49,811	4,438	1,855,246
Acquired from Business Combination	68,000	70,132	-	-	-	-	14,198	-	2,276	2,082	-	156,688
Additions	75,000	5,541	-	923	15,662	3,587	18,475	124,385	4,305	2,521	-	252,275
Reclassification	-	-	-	-	-	-	-	-	-	-	1,876	-
Disposals	-	-	-	-	-	-	-	(23,855)	(2,296)	(2,238)	-	(28,389)
Balance at April 30, 2021	205,383	456,393	4,200	24,276	200,501	13,776	909,228	274,371	89,202	52,176	6,314	2,235,820
Acquired from Business Combination	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	-	-	(0)	109,595	51,153	26,640	36,353	2,121	2,902	22,118	250,881
Reclassification	-	6,613	-	-	47,836	-	(47,836)	-	-	-	(6,613)	-
Disposals	-	-	-	-	(55)	-	-	(2,570)	(420)	(132)	-	(3,177)
Balance at April 30, 2022	205,383	463,006	4,200	24,276	357,877	64,929	888,032	308,154	90,903	54,946	21,819	2,483,524
Depreciation												
As at May 1, 2020	-	93,620	1,120	19,314	103,287	2,547	573,207	134,603	84,545	29,842	-	1,042,085
Acquired from Business Combination	-	6,862	-	-	-	-	12,089	-	2,254	2,034	-	23,239
Depreciation for the year	-	11,523	140	1,347	33,886	5,070	68,128	58,189	2,551	6,211	-	187,045
Reclassification	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	(10,026)	(2,296)	(1,386)	-	(13,708)
Balance at April 30, 2021	-	112,005	1,260	20,661	137,173	7,617	653,424	182,766	87,054	36,701	-	1,238,661
Acquired from Business Combination	-	1,754	-	-	-	-	690	-	-	-	-	2,444
Depreciation for the year	-	9,826	140	1,346	49,378	17,129	70,831	35,570	3,212	3,287	-	190,719
Reclassification	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(33)	-	-	(2,570)	(419)	(79)	-	(3,101)
Balance at April 30, 2022	-	123,585	1,400	22,007	186,518	24,746	724,945	215,766	89,847	39,909	-	1,428,723
Carrying amount:												
As at April 30, 2022	205,383	339,421	2,800	2,269	171,359	40,182	163,087	92,387	1,057	15,037	21,819	1,054,801
As at April 30, 2021	205,383	344,388	2,940	3,615	63,328	6,159	255,804	91,605	2,148	15,475	6,314	997,159

Note to the Financial Statement continued

14 Property, Plant and Equipment

	Company											Total
	Land	Buildings & Infrastructure	Shops	Borehole & Tanks	Generatig Sets	Machine Components	Plant & Machinery & Equipment	Motor Vehicles	Computer Equipment	Furniture & Fittings	Capital Work in Progress	N'000
Cost:												
As at May 1, 2020	62,383	380,720	4,200	23,353	184,839	10,189	876,555	173,841	84,917	49,811	4,438	1,855,246
Additions	75,000	5,541	-	923	15,662	3,587	18,475	124,385	4,305	2,521	1,876	252,275
Reclassification	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	(23,855)	(2,296)	(2,238)	-	(28,389)
Balance at April 30, 2021	137,383	386,261	4,200	24,276	200,501	13,776	895,030	274,371	86,926	50,094	6,314	2,079,132
Additions	-	-	-	(0)	109,595	51,153	26,640	36,353	2,121	2,902	22,118	250,881
Reclassification	-	6,613	-	-	47,836	-	(47,836)	-	-	-	(6,613)	-
Disposals	-	-	-	-	(55)	-	-	(2,570)	(420)	(132)	-	(3,177)
Balance at April 30, 2022	137,383	392,874	4,200	24,276	357,877	64,929	873,834	308,153	88,627	52,864	21,819	2,326,836
Depreciation												
As at May 1, 2020	-	93,620	1,120	19,314	103,287	2,547	573,207	134,603	84,545	29,842	-	1,042,085
Depreciation for the year	-	9,769	140	1,347	33,886	5,070	66,709	58,189	2,529	6,162	-	183,801
Reclassification	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	(10,026)	(2,296)	(1,386)	-	(13,708)
Balance at April 30, 2021	-	103,389	1,260	20,661	137,173	7,617	639,916	182,767	84,778	34,618	-	1,212,178
Depreciation for the year	-	9,826	140	148	49,378	17,129	70,831	35,570	3,212	3,287	-	190,719
Reclassification	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(33)	-	-	(2,570)	(419)	(79)	-	(3,101)
Balance at April 30, 2022	-	113,215	1,400	22,007	186,518	24,747	710,747	215,767	87,571	37,826	-	1,399,796
Carrying amount:												
As at April 30, 2022	137,383	279,658	2,800	2,269	171,359	40,182	163,087	92,386	1,057	15,038	21,819	927,040
As at April 30, 2021	137,383	282,871	2,940	3,615	63,329	6,158	255,114	91,604	2,148	15,476	6,314	866,954

Note to the Financial Statement *continued*

15	Intangible Assets	Software N'000	Total N'000		
	Group				
	<u>Cost:</u>				
	Balance at May 1, 2021	7,589	7,589		
	Additions	-	-		
	Arising from Business Combination (See note 36)	-	-		
	Disposals	-	-		
	Balance at April 30, 2022	7,589	7,589		
	<u>Amortisation</u>				
	Balance at May 1, 2021	3,036	3,036		
	Written off	-	-		
	Amortisation for the year	1,518	1,518		
	Balance at April 30, 2022	4,554	4,554		
	As at April 30, 2022	3,035	3,035		
	As at April 30, 2021	4,553	4,553		
	Company				
	<u>Cost:</u>				
	Balance at May 1, 2021	7,589	7,589		
	Additions	-	-		
	Arising from Business Combination (See note 36)	-	-		
	Disposals	-	-		
	Balance at April 30, 2022	7,589	7,589		
	<u>Amortization</u>				
	Balance at May 1, 2021	3,036	3,036		
	Write off	-	-		
	Amortisation for the year	1,518	1,518		
	Balance at April 30, 2022	4,554	4,554		
	As at April 30, 2022	3,035	3,035		
	As at April 30 2021	4,553	4,553		
		Group	Company		
16	Prepayments	30/4/2022 N'000	30/4/2021 N'000	30/4/2022 N'000	30/4/2021 N'000
	Prepayments	1,092	3,665	1,092	3,665
		1,092	3,665	1,092	3,665
17	Investment				
	Investment in Subsidiary	-	-	179,228	-
	Amortisation - intangible Assets	-	-	(35,846)	-
		-	-	143,383	-
	Name of Subsidiary	Principal activity and operation		30/4/2022	30/4/2021
				%	%
	Adswitch Plc	Switch Gear and Fittings		100%	

Note to the Financial Statement *continued*

	<i>Group</i>		<i>Company</i>	
	30/4/2022 N'000	30/4/2021 N'000	30/4/2022 N'000	30/4/2021 N'000
18 Inventories				
Raw materials	634,211	442,640	602,427	410,828
Work in progress	489,208	459,167	488,106	458,549
Finished goods	1,403,091	1,307,621	1,400,132	1,305,682
Technical stock and spares	218,735	215,805	218,735	215,805
Consumables	3,737	2,467	3,737	2,467
Advert and promotion	5,254	7,352	5,254	7,352
Obsolete stock	-	(1,628)	-	-
	<u>2,754,237</u>	<u>2,433,424</u>	<u>2,718,392</u>	<u>2,400,682</u>

Advert and Promotion represents the value of promotional items in the inventory

19 Trade and Other Receivables				
Trade Receivable	260,194	60,120	260,174	60,120
Deposit for Imports	871,663	1,106,094	871,663	1,106,094
Staff Receivables	8,162	9,643	8,117	9,516
Other Receivables	25,924	51,647	20,628	46,711
	<u>1,165,944</u>	<u>1,227,505</u>	<u>1,160,583</u>	<u>1,222,441</u>

Deposit for Imports

Deposits for imports represent foreign currencies purchased for funding of letters of credit in respect of imported raw materials, spare parts and machinery. Staff receivable represent advances given to staff to carry out project for the Company

20 Other Prepayments				
Prepayments	13,446	18,975	13,446	18,975
Prepayments due after one year	(1,092)	(3,665)	(1,092)	(3,665)
Prepayments due within one year	<u>12,354</u>	<u>15,310</u>	<u>12,354</u>	<u>15,310</u>

21.1 Cash and Cash Equivalents				
Cash Balances	260	313	243	222
Access Bank Plc	18,677	1,007	18,665	995
Ecobank Nigeria Limited	1,346	26,971	1,346	26,971
Fidelity Bank Plc	6,552	1,964	2,643	207
First Bank of Nigeria Limited	7,851	9	7,842	-
Guaranty Trust Bank Plc	3,874	8,194	3,874	8,194
Heritage Bank Plc	42	42	-	-
Polaris Bank Limited	858	464	858	464
Sterling Bank Plc	2,741	500	2,741	500
Union Bank of Nigeria Plc	24,402	17,260	24,365	17,223
United Bank for Africa Plc	5,331	51,822	5,312	51,813
Zenith Bank Plc	52,702	2,030	52,702	2,030
Cash and Bank balance	<u>124,637</u>	<u>110,576</u>	<u>120,592</u>	<u>108,618</u>

The carrying amount are approximately equal to their Fair Value.

Note to the Financial Statement *continued*

21.2 Reconciliation of Net Income to Net Cash Provided by Operating Activities:

	Group		Company	
	30/4/2022 N'000	30/4/2021 N'000	30/4/2022 N'000	30/4/2021 N'000
Profit before finance costs	1,371,364	1,073,025	1,375,524	1,080,630
Adjustments for:				
Depreciation of Property, Plant and Equipment	193,163	187,045	190,719	183,802
Amortisation	1,518	1,518	1,518	1,518
Foreign Exchange Difference	-	-	-	-
Amortisation - Intangible Assets	-	-	35,846	-
Profit or (loss) on asset disposal	(2,150)	12,418	(2,150)	12,418
Operating Profit Changes in Working Capital	1,563,895	1,274,005	1,601,457	1,278,368
Changes in Working Capital:				
(Increase)/Decrease in Inventories	(308,801)	(650,452)	(305,696)	(617,711)
(Increase)/Decrease in Trade & other Receivable	61,560	(482,741)	61,858	(477,677)
(Increase)/Decrease in Prepayments	5,529	94,427	5,529	94,427
Increase/(Decrease) in Trade & other Payable	148,352	336,604	130,179	291,404
Total adjustments	(93,360)	(702,162)	(108,130)	(709,557)
Cash Generated from Operations	1,470,535	571,844	1,493,327	568,811
22 Trade and other Payables				
Trade Payables	423,794	131,731	360,601	131,573
Accruals	307,179	428,329	307,179	383,287
Value Added Tax & WHT Payable	179	11,166	-	11,166
Other Payables	17,868	29,442	17,868	29,442
	749,020	600,668	685,648	555,468
Other Payables:				
Withholding Tax	11,525	11,410	11,525	11,410
Distributions Deposit	(0)	800	(0)	800
Directors' Sitting Expenses and Allowance	-	4,490	-	4,490
Registrars - Crescent Registrars Ltd	438	3,000	438	3,000
Reapfold	-	249	0	249
Road Construction - ANSG	286	-	286	-
LC - Offshore Charges	2,137	5,543	2,137	5,543
Upfront Interest Charge	2,009	3,949	2,009	3,949
Marine Insurance	1,473	-	1,473	-
	17,868	29,442	17,868	29,442
23 Share Capital				
Issued and fully paid				
3,522,644,052 Ordinary Shares of 50K each	1,761,322	880,661	1,761,322	880,661

Note to the Financial Statement *continued*

	Group		Company	
	30/4/2022 N'000	30/4/2021 N'000	30/4/2022 N'000	30/4/2021 N'000
24 Retained Earnings				
At May 1, 2021	1,275,128	924,976	1,333,672	924,977
Transfer from Income Statement	786,307	543,085	790,467	601,627
Dividend writtenback	26,558	27,233	26,558	27,233
Bonus Issue	(880,661)	-	(880,661)	-
Dividend paid in the year	(264,198)	(220,165)	(264,198)	(220,165)
At April 30, 2022	<u>943,134</u>	<u>1,275,128</u>	<u>1,005,838</u>	<u>1,333,672</u>
25 Long Term Borrowings:				
Bank of Industry (BOI)	-	278,257	-	278,257
Access Bank Loan	-	13,987	-	13,987
Additions during the year	-	-	-	-
Current portion (Access Bank)	-	(13,987)	-	(13,987)
Current portion(BOI)	-	(196,416)	-	(196,416)
	<u>-</u>	<u>81,844</u>	<u>-</u>	<u>81,844</u>
26 Short Term Borrowings:				
The movement in the loan from Bank is				
Access Bank Plc - Overdraft	-	120,108	-	120,108
Access Bank Plc - Current portion	-	13,987	-	13,987
First Bank Plc - Overdraft	-	15,631	-	15,631
Bank of Industry (BOI)	81,836	196,416	81,836	196,416
Union Bank of Nigeria Plc - STF	(55,683)	224,000	(55,683)	224,000
Union Bank of Nigeria Plc - Overdraft	182,809	213,180	182,809	213,180
	-	-	-	-
UBA Plc - STF	(8,174)	-	(8,174)	-
Commercial Papers (Note 26.1)	<u>877,601</u>	<u>679,779</u>	<u>852,723</u>	<u>679,779</u>
	<u>1,078,389</u>	<u>1,463,102</u>	<u>1,053,511</u>	<u>1,463,102</u>
The commercial papers were issued to various individuals and Co-operatives societies for period of 90 days renewable at interest rates ranging from 6% to 12%.				
Bank of Industry Limited				
The company obtained Working Capital Loan from BOI at applicable interest rate of 12.5%.				
27.0 Staff Costs				
Salaries & Wages	397,303	330,891	391,907	328,073
Medical, welfare, pension and training	<u>108,313</u>	<u>66,143</u>	<u>108,097</u>	<u>66,143</u>
	<u>505,616</u>	<u>397,034</u>	<u>500,004</u>	<u>394,216</u>
28 Directors and Employees				
Directors' emoluments				
(i) Chairman's Emoluments:				
As Executive				
Fees	184	153	184	153
Other	635	529	635	529
	<u>819</u>	<u>682</u>	<u>819</u>	<u>682</u>

Note to the Financial Statement *continued*

	Group		Company	
	30/4/2022 N'000	30/4/2021 N'000	30/4/2022 N'000	30/4/2021 N'000
(i) Other Directors' Emoluments:				
As Executive	8,948	7,457	8,948	7,457
Fees	1,018	848	1,018	848
Other	3,046	2,538	3,046	2,538
	13,012	10,843	13,012	10,843

(ii) The number of Directors excluding the Chairman whose emoluments were within the following ranges were:-

N20,000 - N40,000	-	-	-	-
N40,001 - N60,000	-	-	-	-
Above N60,001	6	6	6	6
Number of Directors who had no emoluments	None	None	None	None

(iii) Employees remunerated at higher rates:

The number of employees in receipt of emoluments within the following ranges were:

N200,000 - N300,000	-	-	-	-
N300,001 - N400,000	-	-	-	-
N400,001 - N500,000	71	71	71	67
N500,001 - N600,000	18	18	18	36
Above N600,001	163	165	154	132

(iv) Staff Costs:

The number of persons employed at 30th April, 2022 and the staff costs were as follows:

Managerial	16	14	15	13
Intermediate staff	58	51	56	51
Junior staff	178	171	172	171
	252	236	243	235

The related staff costs amounted to N505,615,000 (2021 - N394,216,277)

(v) Key Management Compensation

Key Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Key Management Compensation Includes:

Short Term Employee Benefits:

Wages And Salaries:

Directors Emoluments	819	682	819	682
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Post Employment Benefits:

Defined Contribution Plan	34,759	24,487	34,759	24,487
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	35,578	25,169	35,578	25,169
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29

Dividends Paid and Proposed

Dividends on Ordinary Shares declared and paid during the year
Proposed Dividend for 2022: 10Kobo per Share (2021:12.5Kobo per Share)

	264,198	220,166	264,198	220,166
	264,198	220,166	264,198	220,166

Note to the Financial Statement *continued*

	Group		Company	
	30/4/2022 N'000	30/4/2021 N'000	30/4/2022 N'000	30/4/2021 N'000
30 Earnings Per Share				
(a) Basic				
Basic Earnings per Share is calculated by dividing the Profit attributable to Equity Shareholders of the Company by the weighted average number of Ordinary Shares in issue during the year.				
Weighted average number of Shares in issue ('000)	3,522,644	1,761,322	3,522,644	1,761,322
Profit attributable to Ordinary Equity Shareholders (N'000)	786,307	543,085	790,467	601,627
Basic Earnings per Share (Kobo)	22	31	22	31

31 Financial Instruments and Risk Management

31.1 Capital Risk Management

The company manages its Capital to ensure that the company will be able to continue as going concern while maximising the return to stakeholders through the optimisation equity. The Company's Capital Management strategy remains unchanged from 2021.

The Capital Structure of the Company consists of Equity attributable to Equity Shareholders of the Company, comprising Issued Capital and Retained Earnings.

The Company is not subject to any externally imposed Capital requirements.

Gearing ratio

The Gearing Ratio at the year end is as follows:

Debt (i)	1,078,389	1,544,945	1,053,511	1,544,945
Less: Cash and Bank balances	(124,637)	(110,576)	(120,592)	(108,618)
Net debt	953,752	1,434,370	932,919	1,436,327
Equity (ii)	2,704,456	2,155,790	2,767,160	2,214,333
Net debt to equity ratio	35%	67%	34%	65%

(i) Debt is defined as both current and non

(ii) Equity includes all Capital and Reserves of the Company that are managed as Capital.

31.2 Categories of Financial Instruments

Financial Assets

Loans and Receivables:

Cash and Bank Balances	124,637	110,576	120,592	108,618
Trade and other Receivables	1,165,944	1,227,505	1,160,583	1,222,441
	1,290,581	1,338,080	1,281,175	1,331,059

Financial Liabilities

Financial Liabilities at Amortised cost:

Borrowings	-	81,844	-	81,844
Trade and other Payables	749,020	600,668	685,648	555,468
Bank overdraft	182,809	333,289	182,809	333,289
	931,828	1,015,800	868,456	970,601

Note to the Financial Statement

continued

31.3 Financial Risk Management Objectives

The Company's Board of Directors oversees Risk Management to ensure that Financial Risks are identified, measured and managed in accordance with Company's policies for Risk. Risk Management policies and systems are reviewed regularly to reflect the changes in market conditions and the company's activities. Sensitivity analyses provide the appropriate information to monitor the net underlying Financial Risks. The company does not trade in financial instruments, nor does it take on speculative or open positions through the use of derivatives.

31.4 Market Risk

Market Risk is the Risk that the fair values of financial instruments will fluctuate because of changes in market prices. The Financial instruments held by the company that are affected by market Risk are principally the non-derivative Financial instruments which include trade and other Receivables, Cash and bank balances and trade and other payables), bank overdraft and Loans. Market Risk exposures are measured using sensitivity analysis where applicable.

31.5 Industry Risk

The Nigerian cable and wire subsector belongs to the electrical and electronics sectoral group. Alongside two other sectoral groups, this sector is regarded as the most economically significant constituent group of the engineering sector. The performance of the Nigerian cable and wire industrial subgroup is, no doubt, noticed by all who should be in the know. The subsector is one of the very few in the country that have successfully dealt with foreign competition, especially in terms of superior product quality. In spite of the difficult economic conditions in Nigeria, the firms in the cable and wire industry

are reputed to produce world- class products. The quality of products from this sub-sectoral group of the manufacturing industry is considered superior even by multinationals. Moreover, despite the prevalent capacity under utilisation in the industrial sector of the country as a whole, the cable and wire manufacturing firms have done relatively well

31.6 Interest rate Risk Management

The Company's exposure to Interest Rate Risk is insignificant

31.7 Foreign Exchange Risk Management

Foreign Exchange Risk is insignificant for the entity as the company trades majorly in Naira.

31.8 Credit Risk Management

Credit Risk is the Risk that a counterparty will default on its contractual obligations leading to a Financial loss. The Company is exposed to Credit Risk from its operating activities (primarily trade and other Receivables) and investing activities (deposits with banks). The company does not have significant portion of Receivables and bank balance concentrated in the hands of a single entity or a group of entities with common control. There are no collaterals held for these balances.

• Trade and other Receivables

The Company's Receivables consist of a number of customers across the country. Credit evaluation is usually performed on the Financial condition of accounts receivable. The company has a policy of only dealing with creditworthy counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Board and Management periodically.

Note to the Financial Statement

continued

- **Bank Balances**

Credit Risk from balances with banks and Financial institutions is managed in a manner that would reduce the Risk of loss to the company. Surplus funds are spread amongst reputable commercial banks and are limited. The limits are set to minimise the concentration of Risks

and therefore mitigate Financial loss through potential counterparty's liquidation.

The carrying amount of Financial Assets represents the company's maximum exposure, which at the reporting date, was as follows:

	Group		Company	
	30/4/2022	30/4/2021	30/4/2022	30/4/2021
	N'000	N'000	N'000	N'000
Bank Balances	124,637	110,576	120,592	108,618
Trade and other Receivables	1,165,944	1,227,505	1,160,583	1,222,441
	1,290,581	1,338,080	1,281,175	1,331,059

31.8.1 Liquidity Risk Management

Liquidity Risk is the Risk that the company is unable to meet its current and future Cash Flow obligations as and when they fall due, or can only do so at excessive cost. This includes the Risk that the company is unable to meet settlement obligations.

Ultimate responsibility for Liquidity Risk Management rests with the Board of Directors, which has established an appropriate policy for the Management of the company's liquidity requirements. The Company manages Liquidity Risk by maintaining adequate reserves and by continuously monitoring forecast and actual Cash flows, and by matching the maturity profiles of Financial Assets and Liabilities.

31.9 Fair Value of Financial instruments

The Directors consider that the carrying amounts of Financial Assets and Financial Liabilities recorded in the Financial Statements approximate their fair values.

32 Guarantees

The Company did not provide guarantees during the year ended 30th April, 2022 (30/4/2021: Nil).

33 Financial Commitments

The Directors are of the opinion that all known Liabilities and Commitments, which are relevant in assessing the Company's state of affairs have been taken into consideration in the preparation of these Financial Statements.

34 Contingent Liabilities and Contingent Assets

There were no Contingent Assets and Liabilities as at 30th April, 2022 (30/4/2021: Nil).

35 Events after the Reporting Period

There were no events after the reporting period that could have had material effects on the Financial Statements of the Company that have not been adequately provided for or disclosed in these Financial Statements.

OTHER NATIONAL DISCLOSURES

STATEMENT OF VALUE ADDED

For the period ended 30 April 2022

Group	30/4/2022		30/4/2021	
	N'000	%	N'000	%
Revenue	7,867,764		6,749,840	
Other Income	83,150		49,323	
	7,950,914		6,799,163	
Bought in materials and services				
Foreign	(1,489,805)		(2,038,798)	
Local	(4,390,968)		(3,103,262)	
Value Added	2,070,141	100	1,657,103	100
Applied as follows:				
To employees				
As salaries and wages	505,616	24.42	397,034	23.96
To Providers of Capital				
Interest charges	213,722	10.32	173,198	10.45
To government:				
As Company Income Taxes	357,876	17.29	289,911	17.50
As NPTF levy	40	0.00	30	0.00
Retained for the Company's future:				
Deferred Taxation	13,419	0.65	15,863	0.96
Depreciation	193,163	9.33	187,045	11.29
(Loss)/ Profit for the year	786,307	37.98	594,023	35.85
Value Added	2,070,141	100	1,657,103	100

Statement of Value Added *continued*

Company	30/4/2022		30/4/2021	
	N'000	%	N'000	%
Revenue	7,852,391		6,745,521	
Other Income	82,585		49,323	
	7,934,976		6,794,844	
Bought in materials and services				
Foreign	(1,489,805)		(2,038,798)	
Local	(4,378,924)		(3,097,401)	
Value Added	2,066,247	100.00	1,658,645	100.00
Applied as follows:				
To employees				
As salaries and wages	500,004	24.20	394,216	23.77
To Providers of Capital				
Interest charges	213,722	10.34	173,198	10.44
To government:				
As Company Income Taxes	357,876	17.32	289,911	17.48
As NPTF Levy	40	0.00	30	0.00
Retained for the Company's future:				
Deferred Taxation	13,419	0.65	15,863	0.96
Depreciation	190,719	9.23	183,801	11.08
(Loss)/ Profit for the year	790,467	38.26	601,627	36.27
Value Added	2,066,247	100.00	1,658,646	100.00

FIVE YEAR FINANCIAL SUMMARY

For the period ended 30 April 2022

Group

	30/4/2022	30/4/2021	30/4/2020	30/4/2019	30/4/2018
	N'000	N'000	N'000	N'000	N'000
Assets Employed:					
Property, Plant and Equipment	1,054,801	997,158	813,161	874,219	869,103
Intangible Assets	3,035	4,553	6,071	-	-
Long Term prepayments	1,092	3,665	43,116	6,206	9,183
Investments - Adswitch	-	-	-	-	-
Inventories	2,754,237	2,433,424	1,782,972	1,579,697	1,317,958
Trade and other Receivables	1,165,944	1,227,505	744,764	248,371	525,058
Prepayments	12,354	15,310	70,286	40,233	10,604
Cash and Cash Equivalents	124,637	110,576	167,620	112,612	104,356
Total Assets	5,116,100	4,792,191	3,627,990	2,861,338	2,836,262
Equity and Liabilities					
Equity					
Paid up Share Capital	1,761,322	880,661	880,661	880,661	440,331
Retained Earnings	943,134	1,275,129	924,976	732,430	858,961
	2,704,456	2,155,790	1,805,637	1,613,091	1,299,292
Liabilities					
Long Term Borrowings	-	81,844	327,613	30,103	6,337
Deferred Tax Liabilities	214,267	200,848	180,903	5,658	171,120
Short Term Borrowings	1,078,389	1,463,102	776,921	656,230	631,154
Trade and other Payables	749,020	600,668	264,065	145,048	499,300
Current Tax Payable	369,969	289,941	272,850	231,216	229,059
	2,411,644	2,636,402	1,822,352	1,248,248	1,536,970
Total Equity and Liabilities	5,116,100	4,792,192	3,627,989	2,861,339	2,836,262
Revenue	7,867,764	6,749,840	5,025,500	5,434,107	5,057,374
Profit before Taxation	1,157,642	899,827	585,505	679,331	661,563
Taxation	(371,335)	(305,804)	(192,450)	(202,262)	(221,268)
Profit after Taxation	786,307	594,023	393,055	477,069	440,295
OCI	-	(50,938)	-	-	-
Dividend	-	(264,198)	(220,166)	(220,166)	(176,132)
	786,307	278,887	172,889	256,903	264,163
Earnings per Share - Basic (Kobo)	22	31.00	22.32	27.09	50.00
Dividend per Share (Kobo)	-	12.50	12.50	12.50	20.00
Dividend payout Ratio	0%	44%	56%	46%	40%
Total Assets Per Share (Kobo)	145	272	206	162	161

NOTE:

Earnings per Share - Actual, have been calculated each year on the Issued Share Capital at the Statement of Financial Position date and it is based on the Profit after Taxation

Five Year Financial Summary *continued*

Company

	30/4/2022	30/4/2021	30/4/2020	30/4/2019	30/4/2018
Assets Employed:	N'000	N'000	N'000	N'000	N'000
Property, Plant and Equipment	927,040	866,953	813,161	874,219	869,103
Intangible Assets	3,035	4,553	6,071	-	-
Long Term Prepayments	1,092	3,665	43,116	6,206	9,183
Investments - Adswitch	143,383	179,228	-	-	-
Inventories	2,718,392	2,400,683	1,782,972	1,579,697	1,317,958
Trade and other Receivables	1,160,583	1,222,441	744,764	248,371	525,058
Prepayments	12,354	15,310	70,286	40,233	10,604
Cash and Cash Equivalents	120,592	108,618	167,620	112,612	104,356
Total Assets	5,086,471	4,801,452	3,627,990	2,861,338	2,836,262
Equity and Liabilities					
Equity					
Paid up Share Capital	1,761,322	880,661	880,661	880,661	440,331
Retained Earnings	1,005,838	1,333,672	924,976	732,430	858,961
	2,767,160	2,214,333	1,805,637	1,613,091	1,299,292
Liabilities					
Long Term Borrowings	-	81,844	327,613	30,103	6,337
Deferred Tax Liabilities	210,185	196,766	180,903	185,651	171,120
Short Term Borrowings	1,053,511	1,463,102	776,921	656,230	631,154
Trade and other Payables	685,648	555,468	264,065	145,048	499,300
Current Tax payable	369,969	289,941	272,850	231,216	229,059
	2,319,312	2,587,121	1,822,352	1,248,248	1,536,970
Total Equity and Liabilities	5,086,472	4,801,454	3,627,989	2,861,339	2,836,262
Revenue	7,852,391	6,745,521	5,025,500	5,434,107	5,057,374
Profit before Taxation	1,161,802	907,431	585,505	679,331	661,563
Taxation	(371,335)	(305,804)	(192,450)	(202,262)	(221,268)
Profit after Taxation	790,467	601,627	393,055	477,069	440,295
Dividend	-	(264,198)	(220,166)	(220,166)	(176,132)
	790,467	337,429	172,889	256,903	264,163
Earnings per Share - Basic (Kobo)	22	34.16	22.32	27.09	50.00
Dividend per Share (Kobo)	-	12.50	12.50	12.50	20.00
Dividend payout Ratio	0%	44%	56%	46%	40%

SHAREHOLDERS' INFORMATION

For the period ended 30 April 2022

Members are hereby informed that Cutix Plc declared the following dividends between 1989 and 2021

YEAR	AMOUNT	YEAR	AMOUNT
1989	4k	2006	10k
1990	10k	2007	12k
1991	12k	2008	12k
1992	12k	2009	12k
1993	12k	2010	12k
1994	15k	2011	12k
1995	12k	2012	12k
1996	15k	2013	12k
1997	12k	2014	12k
1998	15k	2015	12k
1999	15k	2016	14k
2000	15k	2017	18k
2001	15k	2018	20k
2002	15k	2019	12.50k
2003	10k	2020	12.50k
2004	10k	2021	15k
2005	10k		

THE COMPANY HAS ALSO ISSUED THE FOLLOWING SCRIPT ISSUES:

YEAR	ISSUE
1992	One for two
1994	Two for three
1997	One for one
1999	One for one
2002	One for one
2006	One for one
2008	One for one
2012	Two for three
2018	One for one
2021	One for one

SHARE CAPITAL HISTORY OF THE COMPANY (ISSUED)

YEAR	SHARE CAPITAL (₦)	YEAR	SHARE CAPITAL (₦)
1986	395,000	2004	66,049,576
1987	489,000	2005	66,049,576
1988	3,302,479	2006	132,099,152
1989	3,302,479	2007	132,099,152
1990	3,302,479	2008	264,198,304
1991	3,302,479	2009	264,198,304
1992	4,953,718	2010	264,198,304
1993	4,953,718	2011	264,198,304
1994	8,256,197	2012	264,198,304
1995	8,256,197	2013	440,330,507
1996	8,256,197	2014	440,330,506
1997	16,512,394	2015	440,330,507
1998	16,512,394	2016	440,330,507
1999	33,024,788	2017	440,330,507
2000	33,024,788	2018	440,330,507
2001	33,024,788	2019	880,661,013
2002	66,049,576	2020	880,661,013
2003	66,049,576	2021	1,761,322,026

Shareholder's Data Update Form

To:

The Registrar,
Crescent Registrars Ltd,
23 Olusoji Idowu Street,
Ilupeju, Lagos

SHAREHOLDER DETAILS

In order to effectively communicate with and to provide you with information on developments within Cutix Plc kindly complete your shareholder's details below

Surname _____

Other names _____

Address _____

Registrar A/C No.: _____

Postal Address _____

E-mail Address _____

Mobile Phone No.: _____

Shareholder's Signature OR Thumbprint _____

CSCS INFORMATION

I/We hereby request that subsequently all my/our dividends due or which may become due in my/our holding in Cutix Plc indicated below to transfer to CSCS electronically:

CLEARING HOUSE NUMBER:

C									
---	--	--	--	--	--	--	--	--	--

NAME OF STOCKBROKERS

--

Joint holders

(1) _____ (2) _____

If Corporate

Authorised signatures: (1) _____ (2) _____

NB: Corporate Seal/stamp required for (corporate Shareholder)

Shareholders are requested to complete the above form and send to the Registrar, Crescent Registrars Ltd, 23 Olusoji Idowu Street, Ilupeju, Lagos or sent by email to info@crescentregistrars.com

Alternatively, completed form can be sent to the Registrar via the Company Secretary, Cutix Plc, 17, Osita Onyejanyia Street, Umuauka Otolu Newi, Anambra State or sent through email to secretariat@cutixplc.com.ng

Affix
Current Passport
(To be stamped by Bankers)

Please write your name at the
back of your passport
photograph

CRESCENT REGISTRARS LIMITED

E-DIVIDEND ACTIVATION FORM

Instruction:

Only Clearing Banks are acceptable

Please complete all sections of this form to make it eligible for
processing and return to the address below

THE REGISTRAR
CRESCENT REGISTRARS LIMITED RC 475195
23, OLUSOJI IDOWU, ILUPEJU, LAGOS

I/We hereby request that henceforth, all my/our Dividend Payment(s)
due to me/us from my/our holdings in all the companies ticked at the
right hand column be credited directly to my/our bank detailed below:

Bank Verification Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Bank Name

--

Bank Branch/Address

--

Bank Account Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Account Opening Date

--

Shareholder Account Information

Surname/Company name First name Other Names

--

Address:

--

--

City

--

State

--

Country

--

Previous Address (If any)

--

CHN (If any)

--

Mobile Telephone (1)

--

Tel (2)

--

E-mail Address

--

Signature(s)

--

Company Seal (if applicable)

--

Joint/Company's Signatories

--

Authorised Signature of Bank/Stamp

--

PROCESSING FEE: ₦150.00

PAY TO CRESCENT REGISTRARS

ECOBANK ACCT. NUMBER

3772000237

Kindly tick & quote your shareholder
account no. in the box below:

Tick	Name of Company	Shareholder Number
	Cutix Plc	

For enquiries, please call 01-4538671 & 4 or send email to info@crecidentregistrars.com

PROXY FORM

39th Annual General Meeting

39th Annual General Meeting to be held at 11:00 a.m on Friday, August 26, 2022 at Anaedo Social Club Hall, 20 Ezenwegbu Road, Otolu Nnewi, Anambra State.

Please Affix

Postage Stamp

I/We

Being a member/members of Cutix Plc hereby appoint

..... or failing

Him/Her, Amb. Okwudili Nwosu or failing her, Barr (Mrs) Ifeoma Nwahiru as my/our proxy to act and vote for me/us in my/our behalf at the Annual General Meeting of the Company to be held on Friday, August 26, 2022 at 11.00am and at any adjournment thereof.

Dated this day of August 2022

Shareholders signature

Notes:

- THIS PROXY FORM SHOULD NOT BE COMPLETED AND RETURNED IF THE MEMBER WILL BE ATTENDING THE MEETING.**
- A member (shareholder) entitled to attend and vote at the general meeting is entitled to and may if he/she wishes appoint a proxy to act for him/her. All Proxy Forms must be deposited at the Company's Registrar, Crescent Registrars 23, Olusoji Idowu Street, Ilupeju, Lagos, not later than 48 hours before the time for holding the meeting.
- Following the normal practices, the name of two Directors of the company have been entered on the Form to ensure that someone will be at the meeting to act as proxy. But if you wish, you may appoint anyone else.
- If executed by a corporation, the proxy card should be sealed with the company seal.
- In the case of joint shareholders, it should be shown.
- The proxy must produce the admission card sent with the notice of the meeting to obtain entry of the meeting.

NUMBER OF SHARES

Ordinary resolutions		For	Against
1.	To Receive the Audited Accounts for the Year Ended April 30, 2022 together with the Report of the Directors, Audit Committee and Independent Auditors		
2.	To declare a dividend		
3.	To Re-elect Directors: a) Mr. Ike Okonkwo b) Mr. Ariyo Olushekun c) Mrs. Ijeoma Ezeasor To present Amb Odi Nwosu who turned 71 for re-election.		
4.	To Authorize the Directors to Fix the Remuneration of the Auditors		
5.	To Disclose the Remuneration of Managers of the Company		
6.	To Elect Members of the Statutory Audit Committee		
Special Resolution			
6.	To Approve the Remuneration of the Directors		
Please indicate with 'X' in the appropriate square (box) how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion.			

ADMISSION CARD

Please admit the shareholder named on this Admission Card of his duly appointed proxy to the 39th Annual General Meeting of Cutix Plc which will be held at Anaedo Social Club Hall, 20 Ezenwegbu Road, Otolu Nnewi on Friday, August 26, 2022 at 11.00am.

Name of shareholder

Number of shares held

Signature of person attending

Note

- This admission card must be produced by the shareholder or his/her proxy in order to obtain entrance to the meeting.
- Shareholder or their proxies are requested to sign the admission card before attending the meeting.

Chinwendu Nwokporo (ACIS)
Company Secretary
FRC/2019/ICSAN/00000019775

PICTURES OF SOME OF OUR EQUIPMENTS



Quality Assurance Laboratory Section



Rigid Frame Stranding Machine



120 Extrusion Machine



1x1x3 Laying Machine



POWER CABLE PLANT...

