

ALUMINIUM EXTRUSION INDUSTRIES PLC

**FINANCIAL STATEMENTS
30 SEPTEMBER 2022**

ALUMINIUM EXTRUSION INDUSTRIES PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Notes	Sept 2022 N'000	July-Sept 2022 N'000	Sept 2021 N'000	July-Sept 2021 N'000
Revenue	1.0	1,814,889	673,988	2,020,191	655,990
Cost of sales	2.0	(1,592,542)	(615,607)	(1,768,284)	(603,870)
Gross profit		222,347	58,381	251,907	52,120
Other income	2.1	13,270	9,268	7,250	1,809
Staff costs		235,617	67,649	259,157	53,929
Depreciation and amortization	5.0	(26,478)	(8,826)	(26,478)	(8,826)
Selling expenses		(14,371)	(5,653)	(13,313)	(5,182)
Administrative expenses		(122,000)	(40,411)	(112,272)	(34,729)
Finance cost		(19,243)	(2,004)	(27,796)	(9,226)
Administrative and finance cost		(182,092)	(56,894)	(179,859)	(57,963)
Result for the year		53,525	10,755	79,298	(4,034)
Taxation write-back/(expense)		(22,500)	(7,500)	(22,500)	(7,500)
Under provision of tax in prior year		(2,000)	-	-	-
Profit for the year		29,025	3,255	56,798	(11,534)
Total Comprehensive income		29,025	3,255	56,798	(11,534)
Earnings per share (kobo)		13	2	26	-

ALUMINIUM EXTRUSION INDUSTRIES PLC

STATEMENT OF FINANCIAL POSITION

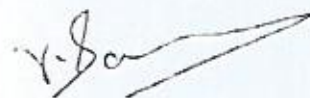
AS AT 30 SEPTEMBER 2022

		Sept 2022	Dec 2021
ASSETS	Notes	N'000	N'000
Non-current assets			
Property, plant and equipment	5	2,069,532	2,104,836
Intangible assets	5.1	1,500	1,500
		<u>2,071,032</u>	<u>2,106,336</u>
Current assets			
Inventories	7	808,255	649,165
Trade and other receivables	8	66,041	22,106
Cash and cash equivalents	9	116,565	34,844
Other current assets	10	12,166	11,721
Total Current Assets		<u>1,003,027</u>	<u>717,836</u>
		<u>3,074,059</u>	<u>2,824,172</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	11	109,978	109,978
Share premium	12	124,956	124,956
Revaluation reserve	13	1,291,116	1,291,116
Retained earnings	14	901,547	872,522
		<u>2,427,597</u>	<u>2,398,572</u>
Non-current liabilities			
Deferred taxation	15	162,331	162,331
Borrowings		-	-
Total Non-current liabilities		<u>162,331</u>	<u>162,331</u>
Current liabilities			
Short term borrowings	16	83,544	55
Trade and other payables	17	338,535	197,086
Current tax liabilities	18	46,608	45,777
Other current tax liabilities	19	12,105	4,863
Dividends	20	3,339	12,105
Other current liabilities	21	-	3,382
Total current liabilities		<u>484,131</u>	<u>263,268</u>
Total liabilities		<u>646,462</u>	<u>425,599</u>
Total equity and liabilities		<u>3,074,059</u>	<u>2,824,172</u>

The interim financial statements were approved by the Board of Directors on 21 October, 2022 and signed on its behalf by:



Mr. Levi E. Amahie
Financial Controller
FRC/2021/001/00000022804



Mr. V. Ganesh
Managing Director
FRC/2017/1ODN/00000016367



Dr. Pascal G. Dozie
Chairman
FRC/2013/CIBN/00000002852

ALUMINIUM EXTRUSION INDUSTRIES PLC

STATEMENT OF CHANGES IN EQUITY

PERIOD ENDED 30 SEPTEMBER 2022

	Share capital N'000	Share premium N'000	Revaluation reserve N'000	Retained earnings N'000	Total N'000
At 1 January	109,978	124,956	1,291,116	872,522	2,398,572
Net profit for the year	-	-	-	29,025	29,025
Incorporation of asset after lease expiration	-	-	-	-	-
Other comprehensive income	-	-	-	-	-
At 30 September	<u>109,978</u>	<u>124,956</u>	<u>1,291,116</u>	<u>901,547</u>	<u>2,427,597</u>

PERIOD ENDED 30 SEPTEMBER 2022

	Share capital N'000	Share Premium N'000	Revaluation reserve N'000	Retained earnings N'000	Total N'000
At 1 January	109,978	124,956	973,255	804,081	2,012,270
Net profit for the year	-	-	-	56,798	56,798
Dividend paid during the year	-	-	-	-	-
Other comprehensive income	-	-	-	-	-
At 30 September	<u>109,978</u>	<u>124,956</u>	<u>973,255</u>	<u>860,879</u>	<u>2,069,068</u>

ALUMINIUM EXTRUSION INDUSTRIES PLC

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Note	30 Sept 2022 N'000	30 Sept 2021 N'000
Cash flows from operating activities			
Cash receipt from customers		2,017,914	1,952,620
Payment to suppliers and employees		(1,925,401)	(1,874,978)
Income tax paid		(33,392)	(25,000)
Net cash flow provided by operating activities	22	59,121	52,642
Cash flows from investing activities			
Payment for property, plant and equipment		-	-
Net cash flow used in investing activities		-	-
Cash flows from financing activities			
Finance cost		-	(27,796)
Borrowings		-	-
Dividend paid		-	-
Net cash flow used in financing activities		-	(27,796)
Net increase in cash and cash equivalents		59,121	(80,438)
Cash and cash equivalents at 1 January		34,789	199,033
Cash and cash equivalents at 31 December		93,910	118,595

ALUMINIUM EXTRUSION INDUSTRIES PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 30 SEPTEMBER 2022

1 Revenue

Revenue represents the total amount invoiced to customers for goods supplied and services rendered after deducting trade discounts and commissions, and comprises the sale of aluminium profiles, Aluminium roofing sheets and billets.

Sales were made to third parties and to Tower Extrusions, a division of Tower Aluminium (Nigeria) Limited.

	'Sept 2022	'Sept 2021
	N'000	N'000
2 Cost of sales		
Cost of raw materials consumed	1,201,170	929,243
Chemicals consumed	24,089	14,475
Electricity, diesel and lubricants	246,866	148,339
Salaries and wages	52,445	31,514
Factory repairs and maintenance	67,972	40,843
	<u>1,592,542</u>	<u>1,164,414</u>
 2.1 Other Income		
Sale of metal scraps	<u>13,270</u>	<u>5,441</u>

ALUMINIUM EXTRUSION INDUSTRIES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

3 Reporting Entity

Aluminium Extrusion Industries Plc. was incorporated on 26 October, 1982 and commenced business in 1987. Its principal activities are the manufacture and sale of a range of extruded Aluminium profiles, billets and roofing sheets.

The company's facilities are located at Inyishi, outskirts of Owerri, in Imo State of Nigeria and consists of extruded aluminium plant, billet casting plant, powder-coated plant, aluminium roofing sheet plant, product storage. Other facilities at Suleja, Niger State consisting of a leased powder-coating plant housed in factory building. All of the company's assets are located in Nigeria.

The company sells its finished products and by-products in the domestic market. Its products are of very high quality and in stiff competition with the foreign ones.

The current shareholders of the company (who are herein collectively referred to as the "shareholders") are as follows:-

Shareholders	% Holding
Tower Aluminium (Nigeria) Limited.	67.80
Imo State Government	8.27
Abia State Government	6.14
Ebonyi State Government	1.50
Nigerian Citizens and Associations	16.29
	<u>100.00</u>

3.1 Basis of Accounting

3.2 Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards, Company and Allied Matters Act, cap C20 LFN 2004 and the Financial Reporting Act, 2011 in addition to the guidelines. The components of the financial statements are:

- 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

They were authorised for issue by the Company's Board of Directors on 20 March 2021.

3.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:

- The financial instruments (borrowings) measured at amortized cost
- Property, plant & equipment carried at revalued amount.
- Inventory measured at at the lower of cost and net realisable value

ALUMINIUM EXTRUSION INDUSTRIES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Required to be
implemented for
periods beginning
on or after

Pronouncement	Nature of change	
	Applying that model, a lessee is required to recognise: (a) assets and liabilities for all leases with a term of more than 12 months, unless the underlying assets is of low value; and (b) depreciation of lease assets separately from interest on lease liabilities in the profit or loss. No significant changes have been included for lessors. 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 two types of leases differently. IFRS 16 also includes extensive new disclosure requirements for both lessees and lessors.	
4 Amendments to IFRS 9 - Financial instruments (Prepayment features with negative compensation)	The amendments to IFRS 9 clarify that for the purpose of assessing whether a prepayment features meets the 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.	1 January 2019
a IFRS 17 Insurance Contracts Disclosures	The standard specifies the treatment of transactions relating to insurance contracts	1 January 2019
b Amendments to IAS 28 - Investment in Associates	The IASB issued a narrow scope amendment to IAS 28 that clarifies that these long term interests in an Associate or Joint venture to which the equity method is not applied should be accounted for using IFRS 9. This includes the impairment requirements in IFRS 9.	1 January 2019
c Amendment to IAS 1- Presentation of financial statement and IAS 8 - Accounting policies Changes in Accounting estimates and errors	Estimates and Errors to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.' The amendments to the definition of material is not expected to have a significant impact on the Company's financial statements.	1 January 2020

ALUMINIUM EXTRUSION INDUSTRIES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Assets are reviewed annually to ensure that impairment has not occurred. They are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts for those assets may not be recoverable. Impairment losses are measured as the difference between the carrying amount and the recoverable amount, which is the higher of the asset's fair value less costs to sell and its value in use, as determined by the amount of estimated risk adjusted future cash flows. Impairment losses are recognised in income statement in the period in which they are incurred. The depreciation method and estimated useful lives are being reviewed regularly.

Borrowing costs directly related to the acquisition or construction of an asset are capitalised as part of the cost of the asset to the extent of its recoverable amount. Borrowing costs are capitalised when the cost of the acquisition of the assets and borrowing cost are incurred and the activities necessary to bring the assets to a condition for its use have been started.

Capitalisation of borrowing cost is suspended during periods in which active development is interrupted. Subsequent expenditure is capitalised if it increases the future economic benefits of the related assets. All other expenditure is expensed when incurred.

Ordinary maintenance costs are fully expensed when incurred. Costs that increase the carrying amount of assets are allocated thereto and depreciated over their residual economic lives.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised.

Maintenance costs or costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Costs that increase the carrying amount of assets are allocated thereto and depreciated over their residual economic lives.

Derecognition

The carrying amount of disposed items of property, plant and equipment is derecognised. Any gain or loss on sale of an item of property, plant and equipment is recognised in profit or loss.

Depreciation

Depreciation is calculated on the cost of an asset, or other amount substituted for cost, less its residual value. Where the residual value is getting to nil, the asset is fair-valued and the value incorporated in the Company's records.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment which reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The useful lives of the items of PPE together with the depreciation methods are reviewed annually for propriety. Depreciation of an asset commences when the assets are ready to be used.

ALUMINIUM EXTRUSION INDUSTRIES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

The useful lives of the respective class of assets are recognized using the following rates;

	%
Leasehold buildings	2
Plant and machinery	2.5
Furniture, fixtures and equipment	10
Motor vehicles	20

Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term in which case the assets are depreciated over the useful life.

4.4 Intangible Assets

Intangible Assets are measured at cost on initial recognition. They are carried at cost less any accumulated amortization and accumulated impairment losses if any

The useful life of the intangible are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and the amortization method are reviewed at least at the end of each reporting period.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

The Company's intangible assets relate to software purchased and put into use within the year. The useful life of the assets is assessed to be three years and have been amortized accordingly using 33.33%

Intangible assets are derecognized when disposed or when there is no likelihood of getting economic value from the asset.

4.5 Inventories

Inventory is measured at the lower of cost and net realisable value. The cost of inventory includes expenditure incurred in acquiring the inventory, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost incurred in bringing each product to its present location and condition is based on:

Raw and packaging materials and purchased finished goods	- purchase cost on weighted average cost basis including transportation.
Products-in-process	- weighted average cost of direct materials and labour
Finished goods (profiles)	- weighted average cost of direct materials and labour plus a proportion of manufacturing overhead
Diesel	- weighted average cost of direct materials

ALUMINIUM EXTRUSION INDUSTRIES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

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

4.10 Statement of cash flows

The statement of cashflows is prepared using the indirect method. Changes in statement of financial position items that have not resulted in cashflows such as translation differences, fair value changes, equity-settled share-based payments and other non-cash items, have been eliminated for the purpose of preparing the statement. Dividends paid to ordinary shareholders are included in financing activities. Finance cost is also included in financing activities while finance income received is included in investing activities.

4.11 Revenue

Revenue from contracts with customers IFRS 15

Revenue is recognised by applying a five-step approach:

- Identify the contract
- Identify the separate performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to separate performance obligations
- Recognise revenue when (or as) each performance obligation is satisfied

Identify the contract

Any agreement that creates enforceable rights and obligations is a contract. This covers revenue arising from contracts for:

- (a) Sale of the Company's products to retail customers, wholesalers or distributors;
- (b) Sale of products under contract manufacturing agreements;
- (c) Licences of the Company's intellectual property;
- (d) Divestments of PP&E and intangible assets. It does not cover revenue arising on sales of businesses or from collaboration agreements.

Identify the separate performance obligations in the contract

Performance obligations are the explicit or implicit promises made to the customer or licensee in a contract. In a multi-element arrangement, it is necessary to determine if the promises made are distinct from each other or should be accounted for together as a bundle.

Determine the transaction price

The transaction price is the amount of consideration that the Company is entitled to for the transfer of goods or services. The price may include variable consideration where either

- Uncollected revenue is contingent on future events occurring, such as meeting a sales milestone;
- or

ALUMINIUM EXTRUSION INDUSTRIES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

- The Company's ability to retain revenue already invoiced or collected is contingent on future events not occurring, such as retrospective rebates being awarded by the Company or products being returned by the customer.

Variable consideration is estimated and recognised as revenue when it is highly probable that a significant reversal of the cumulative revenue recognised will not occur in future periods.

Allocate the transaction price to performance obligations

The total consideration in a contract is between each of the distinct performance obligations in that contract on the basis of the stand alone selling price of each.

Recognise revenue when (or as) each performance obligation is satisfied

Revenue is recognised in the Income Statement when or as the Company fulfils its performance obligations. In the case of sale of products or divestment of other assets, this is when control of the products or assets has been transferred to the customer or buyer. In the case of services, the obligation is satisfied over the period of provision of the services.

Significant financing component

Generally, the Company receives short-term advances from its customers. Using the practical expedient in IFRS15, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets

Contract Asset

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

ALUMINIUM EXTRUSION INDUSTRIES PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

4.12 Taxation

Tax expense comprises current and deferred tax. Current tax and deferred tax charges are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current Tax.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expenses that are deductible in other years for tax purposes, and it further excludes items that are never taxable or deductible.

Deferred Tax

Deferred tax is recognized 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, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized 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 utilized.

Such assets and liabilities are not recognized if the temporary difference arises from 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 balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to item charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

4.13 Dividends

Final dividends are a liability in the year in which they are declared and approved by the Company in general meeting. Interim dividends are recognised when they are paid.

Dividends which remained unclaimed for a period exceeding twelve(12) years from the date of declaration and which are no longer actionable by shareholders in accordance with Section 385 of Companies and Allied Matters Act of Nigeria are written back to retained earnings.

4.14 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

ALUMINIUM EXTRUSION INDUSTRIES PLC
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE PERIOD ENDED 30 SEPTEMBER 2022

5. Property, Plant and Equipment

5.1 Summary

The carrying amount of property, plant and equipment is stated as follows;

	Sept 2022 N'000	Dec 2021 N'000
Land	679,479	679,479
Leasehold building	434,431	434,431
Extrusion plant and machinery	963,047	963,047
Roofing plant and machinery	13,891	13,891
Furniture and equipment	8,045	8,045
Motor vehicles	5,853	5,853
	2,104,746	2,104,746

5.2 Analysis of Property, plant and equipment

	Land N'000	Leasehold building N'000	Extrusion Plant and machinery N'000	Roofing Plant and machinery N'000	Furniture and equipment N'000	Motor vehicles N'000	Total N'000
Deemed Cost							
At 1 January 2022	679,479	434,431	963,047	13,981	8,045	5,853	2,104,836
Addition	-	-	-	-	-	-	-
At 30 Sept 2022	679,479	434,431	963,047	13,981	8,045	5,853	2,104,836
Depreciation							
At 1 January 2022	-	1,522	5,466	104	162	1,572	8,826
At the period	-	4,566	17,398	312	486	3,716	26,478
At 30 Sept	-	6,088	22,864	416	648	5,288	35,304
Carrying Amount							
At 30 June 2022	679,479	428,343	940,183	13,565	7,397	565	2,069,532
At 31 December 2021	679,479	434,431	963,047	13,981	8,045	5,853	2,104,836

ALUMINIUM EXTRUSION INDUSTRIES PLC

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

5.3 Deemed Cost

The Company's property, plant and equipment were revalued on 23 December 2021 by Jide Taiwo & Co (Estate Surveyors and Valuers - FRC/2012/00000000254) on the basis of market value at the sum of N2,095,000,000. The revaluation gain of N317,861,000 arising therefrom was accounted for as part of other comprehensive income in the year of revaluation.

5.4 Land

This comprises of:

Factory site at Inyishi

Plots 5, 6 and 7 Industrial Layout, Ikot Abasi

Sept 2022 N'000	Dec 2021 N'000
477,879	477,879
201,600	201,600
<u>679,479</u>	<u>679,479</u>

5.5 Security

The company has provided these assets as security to the tune of the overdrawn facility.

5.6 Intangible assets

Intangible asset represents the amount paid to acquire SAP accounting software. The software was put into use on 1 July 2015 and amortised over a period of three years. The software was fair-valued in year 2018 and the value incorporated in the financial statements and also amortised over three years.

	Sept 2022 N'000	Dec 2021 N'000
Cost		
At 1 January	1,500	1,500
Fair-valuation in the year	1,500	-
At 31 December	<u>3,000</u>	<u>1,500</u>
Amortization		
At 1 January	1,000	1,000
Amortization in the year	500	500
At 31 December	<u>1,500</u>	<u>1,500</u>
Carrying amount at 31 December	<u>1,500</u>	<u>1,500</u>

ALUMINIUM EXTRUSION INDUSTRIES PLC

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Sept 2022	Dec 2021
	N'000	N'000
7 Inventories		
Raw materials, chemicals and powders	130,739	279,351
Spares	181,150	117,888
Die	41,513	40,634
Finished goods	386,703	190,069
Fuel, Oil and lubricants	51,360	21,223
Good-in-transit	16,790	-
	808,255	649,165

7.1 The total inventory charged to cost of sales is N2,097,388 (2020 - N1,730,311,000)

7.2 The company adopts "weighted average cost" method in valuing inventory

7.3 There is no inventory pledged as security for liabilities during the year.

8 Trade and other receivables

Trade and other receivables are recognized initially at their transaction price and subsequently measured at amortized cost less loss allowances.

	Sept 2022	Dec 2021
	N'000	N'000
Trade receivables	66,041	4,001
Advance to suppliers	-	5,786
Due from related companies (Note 34)	-	13,115
	66,041	22,902

9 Cash and cash equivalents

Cash in hand	1,359	1,585
Cash at banks	115,206	33,259
Cash and bank balance	116,565	34,844
Short term borrowing	(22,655)	(55)
	93,910	34,789

9.1 Short term borrowings

Borrowings	55	55
Overdraft	83,489	22,600
	83,544	22,655

ALUMINIUM EXTRUSION INDUSTRIES PLC

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Sept 2022 N'000	Dec 2021 N'000
10 Other current assets		
Prepaid expenses	12,166	5,532
Staff advance	-	6,189
	<u>12,166</u>	<u>11,721</u>

10.1 This relates to guest house rent and insurance prepaid in the year

10.2 This relates to advance given to staff. The staff advance is stated at market value.

11 Share Capital

Authorised:

300,000,000 ordinary shares of 50k each

150,000 150,000

Issued, called up and fully paid:

219,956,000 ordinary shares of 50k each

109,978 109,978

Each ordinary share holds one voting right.

12 Share premium

124,956 124,956

This represents the share premium arising from the shares issued by the Company

	Sept 2022 N'000	2021 N'000
13 Revaluation reserve		
At 1 January	1,291,116	973,255
Revaluation surplus	-	317,861
	<u>1,291,116</u>	<u>1,291,116</u>
At 31 December		

14 Retained earnings

As at 1 January

Prior year's dividend paid (note 26.1)

Profit for the year after taxation

Arising from leased motor vehicle (26.2)

Other comprehensive income

872,522 804,081

29,025 66,941

- -

- 1,500

901,547 872,522

ALUMINIUM EXTRUSION INDUSTRIES PLC

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

28 Trade and other payables

Trade and other payables are recognized initially at their transaction price and subsequently measured at amortized cost.

	Sept 2022 N'000	Dec 2021 N'000
Trade payables	113,244	74,134
Customers' Deposits	79,714	43,518
Accrued expenses	91,650	6,276
Provisions	-	73,158
Due to related companies (note 34)	53,927	-
	<u>338,535</u>	<u>197,086</u>

17.1 Trade payables

This relates to the unpaid balance to the suppliers at year end

17.2 Customers' Deposits

This relates to the amount deposited by the customers for the production and supply of Aluminium profiles.

17.3 Accrued expenses

These are expenses in which the related services have been received by the Company but not yet paid for at year end.

	Sept 2022 N'000	Dec 2021 N'000
18 Current tax liabilities		
Income tax payable	31,025	33,392
Withholding tax payable	15,583	12,385
	<u>46,608</u>	<u>45,777</u>

18.1 Income tax payable

At 1 January	33,392	36,143
Charge for the year	29,025	33,392
Under provision of tax	2,000	-
Payment during the year	(33,392)	(36,143)
At 31 December	<u>31,025</u>	<u>33,392</u>

18.2 Withholding tax payable

This relates to withholding tax deducted from the suppliers but not yet remitted to the Revenue Authorities.

<u>15,583</u>	<u>12,385</u>
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ALUMINIUM EXTRUSION INDUSTRIES PLC

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Sept 2022	Dec 2021
	N'000	N'000
20 Dividends		
Unclaimed dividend	12,105	12,105
Interest on fixed deposit	-	-
	<u>12,105</u>	<u>12,105</u>
21 Other current liabilities		
Trust funds	-	2,627
Deposit for dies	-	600
Insurance claim	2,694	150
Others	645	5
	<u>3,339</u>	<u>3,382</u>
22 Reconciliation of Profit for the period to net cash provided by operating activities		
	Sept 2022	Sept 2021
	N'000	N'000
Profit for the year	29,025	56,798
Adjustments not involving movement of cash		
Depreciation of property, plant and equipment	26,478	26,478
Amortisation of intangible assets	-	27,796
Finance cost	-	-
Finance lease adjustment	-	-
Unclaimed dividend adjustment	-	-
Fair-valuation of intangibles	-	-
Revaluation surplus	-	-
	<u>55,503</u>	<u>111,072</u>
Changes in assets and liabilities		
(Increase)/decrease in inventories	(159,090)	(99,768)
Decrease in trade and other receivables	(43,935)	(12,453)
Increase in other current assets	(445)	920
(Decrease)/increase in trade and other payables	83,489	(66,358)
(Decrease)/increase in current tax liabilities	122,811	13,716
Increase in other current tax liabilities	831	229
(Decrease)/increase in Dividends	(43)	-
Increase in other current liabilities	-	-
Decrease in deferred tax	-	-
Net cash (used in)/provided by operating activities	<u>59,121</u>	<u>(52,642)</u>

Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) Aluminum Extrusion Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's securities. The Policy is periodically reviewed by the Board and updated. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period under review.