

CUTIX GROUP

RC50599

**FIRST QUARTER FY 2027
FORECAST FOR THE PERIOD
ENDED JULY 31, 2026**

Cutix Group

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FIRST QUARTER FINANCIAL YEAR 2027 FORECAST

ASSUMPTIONS UNDERLYING Q1 FY2027

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

1. Interest Rates

Interest rates are expected to remain stable during the first quarter of FY2027, with no anticipated changes to the Monetary Policy Rate by the Central Bank of Nigeria. This assumption reflects a continuation of the current monetary stance aimed at supporting economic stability.

2. Raw Material Costs

The raw material cost-to-sales ratio is projected to increase from 71% in Q4 FY2026 to 72% in Q1 FY2027. This increase reflects sustained pressure from:

- Ongoing global supply chain disruptions
- Persistent geopolitical tensions
- Continued volatility in importation costs and foreign exchange rates
- Domestic regulatory and logistics challenges

3. Taxation

An income tax rate of 30% and development levy tax rate of 4% have been applied in line with the provisions of the Nigeria Tax Reform framework. These rates remain consistent with statutory obligations applicable to the company.

4. Profit Before Tax (PBT)

Profit before tax is estimated at ₦315 million, representing a decline compared to ₦316 million projected in Q4 FY2026.

This reduction is primarily attributable to:

- Increased raw material costs
- Higher operating pressures impacting margins

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<u>1ST QTR FY 2027</u>	
	31/07/2026	
	N000	
Revenue	3,756,375	100%
Cost of Sales	(2,704,590)	72%
Distribution, Admin & Other expenses	(563,456)	15%
Other Income	15,000	0%
Finance Charges	(187,819)	5%
Operating Profit Before Taxation	<u>315,510</u>	8%
Taxation-Estimated	(107,273)	3%
Profit /(Loss) after Tax	<u>208,237</u>	6%
Other Comprehensive Income, net of Income tax		
Total Comprehensive Income for the Period	208,237	6%
Profit attributable to shareholders	<u>208,237</u>	6%
Total Comprehensive Income attributable to shareholders	<u>208,237</u>	6%

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Uchechukwu Igbokwe

Acting Chief Executive Officer

FRC/2018/PRO/00000018031

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Uche Okonkwo (ACA)

Acting Chief Financial Officer

FRC/2026/PRO/ICAN/001/699240

1ST QUARTER FY2027 FORECAST STATEMENT OF CASH FLOW

	N'000
Cash Flow from Operating Activities	3,380,738
Operating Cash Flow before Changes in Working Capital	(3,138,911)
Net changes in Working Capital	939,038
Net Cash Generated from Operating Activities	1,180,866
Cash Flow from Investing Activities	(1,123,404)
Cash Flow from Financing Activities	(998,032)
Net (Decrease)/Increase Cash and Cash Equivalent	(940,570)
Opening Cash and Cash equivalent	(1,031,722)
Cash and Cash equivalent at end of the period	(1,972,292)

ASSUMPTIONS UNDERLYING THE STATEMENT OF CASH FLOW FORECAST – Q1 FY2027

1. Cash Receipts from Customers

Cash inflows from customers are projected at approximately 90% of revenue, consistent with historical collection patterns and stable credit policies. No significant deterioration in receivables is anticipated.

2. Cash Outflows for Investing Activities

Cash outflows for investing activities are expected to moderate compared to Q4 FY2026, as major capital expenditures on machinery for capacity expansion would have largely been completed in the prior quarter.

3. Financing Activities

- The final installment of the BOI loan amounting to ₦28 million is expected to be repaid during the quarter.
- A public commercial paper obligation of ₦744 million (including interest) will also be settled within the period.

These repayments are expected to result in significant cash outflows, thereby reducing available liquidity in the short term.

CUTIX GROUP

NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST JULY 2026

	3 months
	31.07.2026
	N000
1 REVENUE	
The group has four major product category namely, house wiring cables, power cables, metal products, distribution panels/switches. These products are distributed through our distributors across the nation. Products are also supplied to project owners, contractors, developers, institutions, organisations, etc.	
Revenue	
House wiring cables	2,912,415
Power Cables	379,510
Metal products	387,450
Panels and Distribution boxes	<u>77,000</u>
	<u>3,756,375</u>
2 OTHER INCOME	
This is made up of:-	
Sale of scrap	15,000
Profit/loss on disposal	<u>-</u>
	<u>15,000</u>