

**HEAD OFFICE**

5<sup>th</sup> Floor, Churchgate Tower 2,  
Plot PC 31, Churchgate Street,  
Victoria Island, P.O. Box 7793,  
Marina, Lagos. Postal Code  
101241, Nigeria  
Tel: 234-01- 201 906 3200

**DELTA PLANT**

KM 17, Warri - Patani Road,  
P.M.B. 48, Ughelli, Delta Nigeria  
Tel: +234-02-01-906-3208  
+234-02-01-906-3209

**GUINEA PLANT**

KM 32, Lagos Badagry Express Road,  
Agbara Industrial Estate, Ogun State  
P.O. Box 2515, Lagos, Nigeria.  
Tel: +234-02-01-906-3206

+234-02-01-906-3207

# BETA GLASS PLC

**RC: 13215**

## Annual Report and Financial Statements for the year ended 31 December 2024

**TABLE OF CONTENTS PAGE**

Directors and Other Corporate Information	2
Directors' Report	3
Statement of corporate responsibility for the financial statements	8
Statement of Directors' Responsibilities in relation to the preparation of financial statements	9
Report of the Statutory Audit Committee	10
Management's Certification of Internal Control Over Financial Reporting	11
Management's Certification of Internal Control Over Financial Reporting	12
Management's Report on the Assessment of Internal Control Over Financial Reporting	13
Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting	14
Independent Auditor's Report	16
Statement of Profit or Loss and Other Comprehensive Income	21
Statement of Financial Position	22
Statement of Changes in Equity	23
Statement of Cash Flows	24
Notes to the Financial Statements	25
<b><i>Other National Disclosures</i></b>	
Value Added Statement	74
Five-Year Financial Summary	75

**BETA GLASS PLC**

**Annual Report and Financial Statements for the year ended 31 December 2024**

**DIRECTORS AND OTHER CORPORATE INFORMATION**

**Country of Incorporation:** Nigeria

**Incorporation number:** 13215

**Tax identification number:** 01063118-0001

<b>Directors</b>	<b>Name</b>	<b>Nationality</b>	<b>Position</b>
	Otunba Abimbola Ogunbanjo OFR (deceased February 9, 2024)	Nigerian	Erstwhile Chairman
	Dr. Vitus Chidiebere Ezinwa (appointed July 22, 2024)	Nigerian	Chairman
	Mr. Alexander Gendis (appointed September 30, 2024)	Australian	Chief Executive Officer
	Mr. Darren Bennett-Voci (resigned July 22, 2024)	British	Managing Director
	Mr. Serge Joris (appointed July 22, 2024)	Belgium	Non-Executive Director
	Mr Haralambos (Harry) G. David (resigned July 22, 2024)	Cypriot	Non-Executive Director
	Mr. Gagik Apkarian	Australian	Non-Executive Director
	Dr. Zulikat Wuraola Abiola (resigned July 22, 2024)	Nigerian	Independent Non-Executive Director
	Ms. Olufunmilola Adefope	Nigerian	Non-Executive Director
	Ms. Oluwaseun Abimisola Oni (resigned July 22, 2024)	Nigerian	Independent Non-Executive Director
	Mr. Emmanouil Metaxakis	Greek	Non-Executive Director
	Mrs. Clare Omatseye	Nigerian	Independent Non-Executive Director
	Mr. Vassilis Kararizos (appointed July 22, 2024)	Greek	Non-Executive Director
	Mrs. Oyinkansade Adewale (appointed July 22, 2024)	Nigerian	Independent Non-Executive Director
	Mr. Denis Simoni (appointed July 22, 2024)	French	Independent Non-Executive Director
	Ms. Efundoyin Akinyanju (appointed July 22, 2024)	Nigerian	Independent Non-Executive Director

**Company Secretary** DCSL Corporate Services Limited  
235 Ikorodu Road, Ilupeju, Lagos

**Registered Office** 5th Floor, Churchgate Tower 2, Churchgate Street, Victoria Island, Lagos, Nigeria

**Legal Advisers** Chris Ogunbanjo LP  
3 Hospital Road,  
Lagos Island, Lagos, Nigeria

Bloomfield LP  
15 Agodogba Avenue, Parkview Estate  
Ikoyi, Lagos, Nigeria

**Registrar** Greenwich Registrar and Data Solutions Limited  
274, Muritala Muhammed Way,  
Alagomeji, Yaba, Lagos

**Auditor** Ernst & Young Nigeria  
10<sup>th</sup> & 13<sup>th</sup> Floors  
UBA House, Marina, Lagos

**Principal Bankers** Stanbic IBTC Bank Plc  
Zenith Bank Plc

## DIRECTORS' REPORT

In accordance with the provisions of the Companies and Allied Matters Act, 2020 ("CAMA"), the Board of Directors is pleased to present the report on the affairs of Beta Glass Plc ("the Company") together with the audited Financial Statements and other disclosures for the year ended 31 December 2024.

### Legal Form and Principal Activities

Beta Glass was founded in 1974 and incorporated in Nigeria with RC No.13215. The principal activity of the Company remained the manufacture and sale of glassware.

### State of Affairs

In the opinion of the Directors, the state of the Company's affairs is satisfactory, and there has been no material change since the reporting date, which would affect the financial statements as presented.

### Results for the Year:

	2024 N'000	2023 N'000
Revenue	117,580,184	62,905,451
Profit before taxation	19,903,373	9,455,326
Profit after taxation	13,626,830	6,442,223

### Directors

During the period under review, Mr. Darren Bennett-Voci resigned with effect from (w.e.f.) July 31, 2024, whilst Mr. Alexander Gendis was appointed as the Managing Director/Chief Executive Officer w.e.f. September 30, 2024. Mr. Gendis's appointment will be presented for ratification at the Annual General Meeting.

In accordance with the Company's Articles of Association, Ms. Olufunmilola Adefope, Dr. Vitus Chidiebere Ezinwa, Mr. Gagik Apkarian, and Ms. Efundoyin Akinyanju retire by rotation and being eligible, offer themselves for re-election.

### Record of Directors Attendance at Meetings

Pursuant to Section 284 (2) of the Companies and Allied Matters Act, 2020, the records of Directors' attendance at Board meetings during the year under review will be available for inspection at the Annual General Meeting.

**DIRECTORS' REPORT - CONTINUED****Directors' Interests in the Shares of the Company**

As at 1 January 2024 and 31 December 2024, the interests of the Directors (and those who served on the Board during the year under review) in the share capital of the Company as recorded in the Register of Members in compliance with Section 301 of the Companies and Allied Matters Act, 2020 were as follows:

S/N	Name of Director	Nature of Holding as at January 1, 2024		Nature of Holding as at December 31, 2024	
		Direct	Indirect	Direct	Indirect
1.	Dr. Vitus Chidiebere Ezinwa	Nil	Nil	Nil	Nil
2.	Mr. Alexander Gendis	Nil	Nil	Nil	Nil
3.	Mrs. Clare Omatseye	Nil	Nil	Nil	Nil
4.	Ms. Efundoyin Akinyanju	Nil	Nil	Nil	Nil
5.	Mrs. Oyinkansade Adewale	Nil	Nil	Nil	Nil
6.	Mr. Denis Simonin	Nil	Nil	Nil	Nil
7.	Mr. Gagik Akparian	Nil	Nil	Nil	Nil
8.	Ms. Olufunmilola Adefope	Nil	Nil	Nil	Nil
9.	Mr. Serge Joris	Nil	Nil	Nil	Nil
10.	Mr. Vasileos Kararizos	Nil	Nil	Nil	Nil
11.	Mr. Emmanouil Metaxakis	Nil	Nil	Nil	Nil

**Directors' Interests in Contracts**

None of the other Directors has notified the Company for the purpose of Section 303 of the Companies and Allied Matters Act, 2020 of any disclosable interests in contracts involving the Company either as at December 31, 2024, or at the date of this report.

**Acquisition of Own Shares**

The Company did not acquire its own shares during the year ended 31 December 2024 (2023: Nil).

**Charitable Gifts**

In compliance with Section 43(2) of the Companies and Allied Matters Act, 2020, the Company did not make any donations or gifts to any political party, political association or for any political purpose during the year ended 31 December 2024 (2023: Nil).

**DIRECTORS' REPORT - CONTINUED**

**Corporate Social Responsibility**

It is the policy of the Company to consistently improve on some amenities within its host communities. The community projects listed below were undertaken in 2024:

S/N	COMMUNITY	PROJECT	N,000
1	EKAKPAMRE COMMUNITY	Conversion of three open stores to lock up stores	3763
2	ERUEMUKOWARHIEN COMMUNITY	100 units of wooden school desk for community secondary school	3978
3	AGBARA COMMUNITY	Donation of medical equipment to Agbara primary health care centre	1980
4	AGBARA COMMUNITY	Construction of water borehole for drinking water with dedicated power generating set	6350
	<b>Total</b>		<b>16,071</b>

The community projects listed below were undertaken in 2023:

S/N	COMMUNITY	PROJECT	N,000
1	EKRERHAVWE COMMUNITY	Acquisition and installation of 23 high tension poles	4250
2	EKAKPAMRE COMMUNITY, DELTA STATE	3 Lock up shops	3225
3	ERUEMUKOHWARIEN COMMUNITY, DELTA STATE	Installation of solar poles in the street in the community	3240
	<b>Total</b>		<b>10,715</b>

**Substantial Interest in Shares**

According to the register of members, the following organizations held more than 5% of the share capital of the Company as at December 31, 2024.

	2024		2023	
	Number of shares	%	Number of shares	%
Frigoglass Industries (Nigeria) Limited	371,269,358	61.88	371,269,358	61.9
Frigoinvest Nigeria Holdings BV	48,999,757	8.17	48,999,757	8.17
Stanbic IBTC Nominees Nigeria Limited	35,668,675	5.95	37,378,137	6.23

**Significant Changes in Property, Plant and Equipment**

Movements in Property, Plant and Equipment during the year were as shown in Note 20 to the financial statements. In the opinion of the Directors, the market value of the Company's Property, Plant and Equipment is not less than the carrying values shown in the Statement of Financial Position.

**DIRECTORS' REPORT - CONTINUED**

**Employment Policies and Training**

The Company's employment policy ensures that opportunities are also given to disabled persons. Disabled applicants are therefore given special consideration for employment having regard to the aptitudes and capabilities of each applicant.

The Company also has training programmes designed to ensure that employees who became disabled during their employment are not, for the sake of their disabilities, disadvantaged in their career development in the Company. The Company provides overseas and on-the-job technical training for employees' knowledge in glass production technology. There were no disabled persons in the Company as at year ended 31 December 2024 (2023: nil).

**Health, Safety and Welfare of Employees**

The Company has standard in-plants clinics run by competent and qualified medical personnel where free medical services are provided for all staff. There are also stand-by ambulances for transfer of serious cases of illness to designated hospitals retained by the Company.

The Company provides free meals to its employees at the staff canteens.

There are contributory retirement benefit schemes for both Management and Junior employees of the Company. The schemes are in compliance with the provisions of the Pensions Reform Act 2014.

**Employees' Consultation**

The Company consults with representatives of the workers' union on important issues that affect the career of employees and the fortunes of the Company.

Employees' individual suggestions are entertained using suggestion boxes strategically located in the Company's premises and electronic surveys.

**Employment Equity, Gender Policies and Practices**

Our employment and promotion policy ensures equity, and is free from discriminatory bias of gender, ethnic origin, age, marital status, sexual orientation, disability, religion, and other diversity issues. This is role modelled throughout our end-to-end employee life cycle process.

**Events after the Reporting Date**

A dividend in respect of the year ended December 31, 2024, N2.95 per share (2023: ₦1.40), amounting to a total dividend N1,771.48 million (2023: ₦839.95 million) was proposed at the board meeting held on March 26, 2024, and subject to approval at the Annual General Meeting.

**Format Of Financial Statements**

The Financial statements of Beta Glass Plc. have been prepared in accordance with the reporting and presentation requirements of the Companies and Allied Matters Act, 2020 and are in compliance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirement of Financial Reporting Council of Nigeria (Amendment) Act, 2023. The Directors consider that the format adopted is the most suitable for the Company.

BETA GLASS PLC

Annual Report and Financial Statements for the year ended 31 December 2024

**DIRECTORS' REPORT - CONTINUED**

**Auditor**

Messrs. Ernst & Young, having been Auditor of the Company for 8 years, have indicated their willingness to continue in office as Auditor of the Company in accordance with Section 401 (2) of the Companies and Allied Matters Act, 2020. A resolution will be proposed at the Annual General Meeting authorizing the Directors to fix their remuneration.

**BY ORDER OF THE BOARD**



\_\_\_\_\_  
**DCSL Corporate Services Limited**  
Company Secretaries  
Lagos, Nigeria  
March 26, 2025



**STATEMENT OF CORPORATE RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

Further to the provisions of section 405 of the Companies and Allied Matters Act, 2020, we hereby certify that:

- a) We the undersigned have reviewed the audited financial statements of Beta Glass Plc (“the Company”) for the year ended 31 December 2024.

Based on our knowledge as officers of the Company, the audited financial statements do not:

- i. contain any untrue statement of a material fact, or
- ii. omit to state a material fact, which would make the statement misleading in the light of the circumstances under which the statement was made.

- b) Based on our knowledge, the financial statements and other financial information included in the financial statements fairly represent in all material respect, the financial conditions and results of operations of the Company as of, and for the period presented in the report.

- c) We, the undersigned:

- i. are responsible for establishing and maintaining controls;
- ii. have designed such internal controls to ensure that material information relating to the Company is made known to us by others within the entity particularly during the period in which the periodic reports are being prepared;
- iii. have evaluated the effectiveness of the Company’s internal controls as of date within 90 days prior to the report;
- iv. have presented in the report our conclusions about the effectiveness of the internal controls based on the evaluation as of that date.

- d) We have disclosed to the external auditors of the Company and the audit committee:

- i. all significant deficiencies in the design or operation of the internal controls which would adversely affect the Company’s ability to record, process, summarize and report financial data and have identified for the Company’s Auditors any material weakness in internal controls, and
- ii. any fraud, whether or not material, that involves management or other employees who have significant role in the Company’s internal controls.

- e) There are no significant changes in internal controls subsequent to the date of our evaluation, including any corrective actions with regard to significant deficiencies and material weakness.



**Mr Alexander Gendis**  
**Chief Executive Officer**

26 March 2025  
FRC/2025/PRO/DIR/003/424526



**Ms Hélène Paradisi**  
**Chief Financial Officer**

26 March 2025  
FRC/2025/PRO/ANAN/001/131690

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE PREPARATION OF FINANCIAL STATEMENTS**

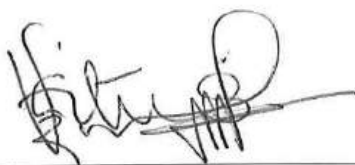
The Companies and Allied Matters Act, 2020 requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Company at the end of the year and of its profit or loss. This responsibility includes:

- a) ensuring that the Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act, 2020;
- b) designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; and
- c) preparing the Company's financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, that are consistently applied.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with IFRS Accounting Standards issued by the International Accounting Standards Board, Financial Reporting Council of Nigeria (Amendment) Act 2023 and the provisions of the Companies and Allied Matters Act, 2020.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit for the year ended 31 December 2024. 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 attention of the Directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.



**Dr Vitus Ezinwa**  
Chairman  
26 March 2025  
FRC/2019/IODN/00000019540



**Mr Alexander Gendis**  
Chief Executive Officer  
26 March 2025  
FRC/2025/PRO/DIR/003/424526

**BETA GLASS PLC**  
**Annual Report and Financial Statements for the year**  
**ended 31 December 2024**

**Report of the Statutory Audit Committee**  
**For the year ended December 31, 2024**

In accordance with the provisions of Section 404(7) of the Companies and Allied Matters Act, 2020, and the Financial Reporting Council of Nigeria (Amendment) Act 2023, we have reviewed the scope and planning of the audit for the year ended December 31, 2024, which in our opinion were adequate.

We have reviewed the External Auditors' findings and recommendations on Management matters and are satisfied with Management's responses and actions thereon.

We have also kept under review the efficacy of the Company's internal control and system of accounting.

We confirm that the reporting and accounting policies of the Company are in accordance with legal requirements and agreed ethical practices.



**Professor Caleb Adeniyi Osuntogun, OFR** Chairman of the  
Statutory Audit Committee FRC/2019/CDIR/00000019269

Dated this 20th day of March 2025

**Members of the Statutory Audit Committee**

Prof Caleb A. Osuntogun, OFR -	Chairman
Chief Robert I. Igwe	- Member
Tpl. Niyi Aderohunmu	- Member
Ms. Oyinkan Adewale	- Member
Mrs. Clare Omatseye	- Member

MANAGEMENT'S CERTIFICATION OF INTERNAL CONTROL OVER FINANCIAL REPORTING

I, **Ms H el ene Paradisi**, certify that:

- a) I have reviewed this management assessment of Internal Control Over Financial Reporting of Beta Glass Plc ("the Company").
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
- c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report.
- d) The Company's other certifying officer(s) and I:
  - 1) are responsible for establishing and maintaining internal controls;
  - 2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, is made known to us, particularly during the period in which this report is being prepared;
  - 3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - 4) have evaluated the effectiveness of the Company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e) The Company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditor and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - 1) There are no significant deficiencies in the design or operation of the internal control system which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - 2) There are no fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system.
- f) The Company's other certifying officer(s) and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies.



**Ms H el ene Paradisi**  
**Chief Financial Officer**

26 March 2025  
FRC/2025/PRO/ANAN/001/131690

**MANAGEMENT'S CERTIFICATION OF INTERNAL CONTROL OVER FINANCIAL REPORTING**

I, **Mr Alexander Gendis**, certify that:

- a) I have reviewed this management assessment of Internal Control Over Financial Reporting of Beta Glass Plc ("the Company").
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
- c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report.
- d) The Company's other certifying officer(s) and I:
  - 1) are responsible for establishing and maintaining internal controls;
  - 2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, is made known to us, particularly during the period in which this report is being prepared;
  - 3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - 4) have evaluated the effectiveness of the Company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e) The Company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditor and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - 1) There are no significant deficiencies in the design or operation of the internal control system which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - 2) There are no fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system.
- f) The Company's other certifying officer(s) and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies.

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**Mr Alexander Gendis**  
**Chief Executive Officer**  
26 March 2025  
FRC/2025/PRO/DIR/003/424526

**MANAGEMENT'S REPORT ON THE ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING**

Management of Beta Glass Plc ("the Company") is responsible for establishing and maintaining an adequate system of internal control over financial reporting, including safeguarding of assets against unauthorized acquisition, use or disposition. This system is designed to provide reasonable assurance to management and the board of directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

The Company's system of internal control over financial reporting is supported with written policies and procedures, contains self-monitoring mechanisms, and is audited by the internal audit function. Appropriate actions are taken by management to correct deficiencies as they are identified. All internal control systems have inherent limitations, including the possibility of circumvention and overriding of controls, and, therefore, can provide only reasonable assurance as to the reliability of financial statement preparation and such asset safeguarding.

Management has assessed the effectiveness of its internal control over financial reporting as of 31 December 2024. In making this assessment, management used the COSO 2013 "Internal Control – Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management believes that, as of 31 December 2024, the Company's internal control over financial reporting is designed and operating effectively. Additionally, based upon management's assessment, the Company determined that there were no material weaknesses in its internal control over financial reporting as of 31 December 2024.

The effectiveness of the Company's internal control over financial reporting as of 31 December 2024, has been reviewed by Ernst and Young, an independent registered public accounting firm, as stated in their report.



**Mr Alexander Gendis**  
**Chief Executive Officer**

26 March 2025

FRC/2025/PRO/DIR/003/424526



**Ms Hélène Paradisi**  
**Chief Financial Officer**

26 March 2025

FRC/2025/PRO/ANAN/001/131690

## **Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting**

**To the members of Beta Glass Plc**

### **Scope**

We have been engaged by Beta Glass Plc to perform a 'limited assurance engagement', based on International Standards on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, herein referred to as the engagement, to report on Beta Glass Plc Internal Control over Financial Reporting (ICFR) (the "Subject Matter") contained in Beta Glass Plc ("the company's" ) Management's Assessment on Internal Control over Financial Reporting as of 31 December 2024 (the "Report").

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Criteria applied by Beta Glass Plc**

In designing, establishing and operating the Internal Control over Financial Reporting (ICFR) and preparing the Management's assessment of the Internal Control over Financial Reporting (ICFR), Beta Glass Plc applied the requirements of Internal Control-Integrated Framework (2013) of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting (Criteria). Such Criteria were specifically designed to enable organizations effectively and efficiently develop systems of internal control that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision making and governance of the organization; As a result, the subject matter information may not be suitable for another purpose.

### **Beta Glass Plc's responsibilities**

Beta Glass Plc's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Beta Glass Plc's *management's assessment of the Internal Control over Financial reporting as of 31 December 2024* in accordance with the criteria.

*Our responsibilities*

Our responsibility is to express a conclusion on the design and operating effectiveness of the Internal Control over Financial Reporting based on our Assurance engagement.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, those standards require that we plan and perform our engagement to obtain limited assurance on the entity's internal control over financial reporting based on our assurance engagement.

*Our independence and quality management*

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA code) and have the required competencies and experience to conduct this assurance engagement.

We also apply International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

*Description of procedures performed*

The procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

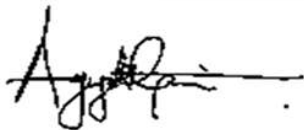
Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting

*Conclusion*

In conclusion, nothing has come to our attention to indicate that the internal control over financial reporting put in place by management is not adequate as of 31 December 2024, based on the requirements of Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting.

*Other Matter*

We also have audited, in accordance with the International Standards on Auditing, the annual report for the year ended 31 December 2024 of Beta Glass Pic and we expressed an unmodified opinion in our Auditor's report dated 29 March 2025. Our conclusion is not modified in respect of this matter.



Babayomi Ajjola  
FRC/2013/PRO/ICAN/004/00000001196  
For: Ernst & Young  
Lagos, Nigeria.

Date: 29 March 2025







**Ernst & Young**  
10th Floor  
UBA House  
57, Marina  
P. O. Box 2442, Marina  
Lagos.

Tel: +234 (01) 631 4500  
Fax: +234 (01) 463 0481  
Email: [Services@ng.ey.com](mailto:Services@ng.ey.com)  
[www.ey.com](http://www.ey.com)

## **Independent Auditor's Report**

*To the Members of Beta Glass Plc*

### **Report on the Audit of the Financial Statements**

#### *Opinion*

We have audited the financial statements of Beta Glass Plc ('the Company'), which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Beta Glass Plc as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

#### *Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

**Independent Auditor's Report**

*To the Members of Beta Glass Plc*

**Report on the Audit of the Financial Statements - Continued**

Key Audit Matter	How the matter was addressed in the audit
<p><b>Recoverability of Export Expansion Grant (EEG) Receivables</b></p> <p>The Company has Export Expansion Grant (EEG) receivable of NGN2.63 billion as at 31 December 2024 (2023: NGN1.56 billion).</p> <p>EEG receivable is recognized based on export sales as soon as the related export proceeds are repatriated into the country within 300 days of the sales.</p> <p>Recoverability of EEG receivable is a key audit matter due to the significant judgement applied by management in the measurement of the receivable and the significance of the amount involved.</p> <p>The significant judgment by Management was further evidenced by the inability of the beneficiary to receive any Export Credit Certificates (ECC) during the year.</p> <p>The recoverability of the EEG receivable is premised on the basis that it is a sovereign debt.</p> <p>Refer to significant accounting policies and, critical accounting estimates and judgements in Note 2.16 and Note 5 to the financial statements respectively.</p>	<p>We obtained an understanding of the Company's accounting policy for recognition of the EEG receivables and evaluated for consistency with the requirements of relevant accounting standards and the Export (Incentives and Miscellaneous Provisions) Act.</p> <p>We tested the recognition of the EEG receivable for compliance with the Company's accounting policy. In particular, we tested the EEG receivable recognised by assessing documentation that supports the repatriation of export proceeds within 300 days of sale.</p> <p>We reviewed the baseline data submitted by the Company in compliance with the Nigerian Export Promotion Council (NEPC) EEG guidelines and confirmed that the EEG rate applied is that approved by the NEPC.</p> <p>We also reviewed the adjustments made to write down the value of the receivables. We tested the adequacy of provisions for related charges such as processing fees/collection charges, utilisation charges etc.</p>

**Independent Auditor's Report**

*To the Members of Beta Glass Plc*

**Report on the Audit of the Financial Statements - Continued**

***Other Information***

The Directors are responsible for the other information. The other information comprises the information included in the document titled "Beta Glass Plc Annual Report and Financial Statements for the year ended 31 December 2024", which includes the Report of the Directors, Statement of Corporate Responsibility for the Financial Statements, Statement of Directors' Responsibilities in Relation to the preparation of the Financial Statements, and Other National Disclosures. The other information does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, 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 Financial Statements***

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the 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 Company or to cease operations, or have no realistic alternative but to do so.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

## Independent Auditor's Report

*To the Members of Beta Glass Plc*

### Report on the Audit of the Financial Statements - Continued

#### *Auditor's Responsibilities for the Audit of the Financial Statements - Continued*

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

- Identify and assess the risks of material misstatement of the 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 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 uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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 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, actions taken to eliminate threats or safeguards applied.

## Independent Auditor's Report

To the Members of Beta Glass Pic

### Report on the Audit of the Financial Statements - Continued

#### *Auditor's Responsibilities for the Audit of the Financial Statements - Continued*

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 public interest benefits of such communication.

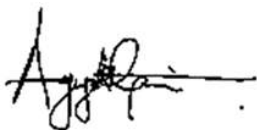
#### *Report on Other Legal and Regulatory Requirements*

In accordance with the requirement of the Fifth Schedule of the Companies and Allied Matters Act, 2020, we confirm that:

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- In our opinion, proper books of account have been kept by the Company, in so far as it appears from our examination of those books;
- The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

In accordance with the requirements of the Financial Reporting Council of Nigeria (FRC) Guidance on Assurance Engagement Report on Internal Control over Financial Reporting:

We performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of 31 December 2024. The work performed was done in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, and we have issued an unmodified conclusion in our report dated 29 March 2025.



Babayomi Ajjola  
FRC/2013/PRO/ICAN/004/00000001196  
For Ernst & Young  
Lagos, Nigeria



29 March 2025

**BETA GLASS PLC**

**Annual Report and Financial Statements for the year ended 31 December 2024**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

		<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>Notes</b>	<b>N'000</b>	<b>N'000</b>
Revenue from contracts with customers	7	117,580,184	62,905,451
Cost of sales	8.1	(86,822,472)	(50,518,011)
<b>Gross profit</b>		<b>30,757,712</b>	<b>12,387,440</b>
Selling and distribution expenses	8.3	(339,082)	(318,186)
Administrative expenses	8.2	(6,409,231)	(3,620,563)
Credit loss expenses	8.4	(1,616,130)	(500,448)
Other income / (expenses)	9	1,162,402	(262,771)
<b>Operating profit</b>		<b>23,555,671</b>	<b>7,685,472</b>
Foreign exchange (loss) / gain	10	(1,742,362)	1,793,567
Finance income	11.1	8,121,424	2,083,975
Finance cost	11.2	(10,031,360)	(2,117,688)
<b>Profit before taxation</b>		<b>19,903,373</b>	<b>9,445,326</b>
Income tax expense	12	(6,276,543)	(3,003,103)
<b>Profit for the year</b>		<b>13,626,830</b>	<b>6,442,223</b>
<b>Other comprehensive income:</b>			
<b>Other comprehensive income for the year; net of taxation</b>		-	-
<b>Total comprehensive income for the year; net of taxation</b>		<b>13,626,830</b>	<b>6,442,223</b>
<b>Earnings per share (EPS)</b>			
Basic and diluted EPS (Naira)	13	22.71	10.74

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

BETA GLASS PLC

Annual Report and Financial Statements for the year ended 31 December 2024

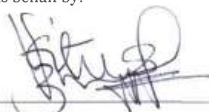
STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Notes	31 December 2024 N'ooo	31 December 2023 N'ooo
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	20	36,005,433	33,755,079
Right-of-use assets	21	17,221	39,852
Intangible assets	15	-	3,934
		36,022,654	33,798,865
<b>Current assets</b>			
Inventories	16	22,960,484	17,743,383
Trade and other receivables (Note 29.1)	17	64,715,445	28,500,192
Cash and cash equivalents	18	10,653,614	26,809,458
		98,329,543	73,053,033
<b>Total assets</b>		<b>134,352,197</b>	<b>106,851,898</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred tax liabilities	22	4,619,910	3,828,471
		4,619,910	3,828,471
<b>Current liabilities</b>			
Borrowings	19	26,910,912	24,647,423
Trade and other payables	23	32,138,773	23,257,755
Current income tax	24	5,701,684	2,930,005
Dividend payable	25	189,035	183,238
		64,940,404	51,018,421
<b>Total liabilities</b>		<b>69,560,314</b>	<b>54,846,892</b>
<b>Equity</b>			
Issued share capital	26	299,983	299,983
Share premium	26	312,847	312,847
Other reserves	27	2,429,942	2,429,942
Retained earnings	28	61,749,111	48,962,234
<b>Total equity</b>		<b>64,791,883</b>	<b>52,005,006</b>
<b>Total equity and liabilities</b>		<b>134,352,197</b>	<b>106,851,898</b>

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

The financial statements were approved and authorized for issue by the Board of Directors on March 26, 2025, and were signed on its behalf by:



Dr Vitus Ezinwa  
Chairman  
FRC/2019/IODN/00000019540



Mr Alexander Gendis  
Chief Executive Officer  
FRC/2025/PRO/DIR/003/424526



Ms Hélène Paradisi  
Chief Financial Officer  
FRC/2025/PRO/ANAN/001/131690

BETA GLASS PLC

Annual Report and Financial Statements for the year ended 31 December 2024

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Issued Share capital N'000	Share premium N'000	Other reserves N'000	Retained earnings N'000	Total N'000
<b>At 1 January 2024</b>	<b>299,983</b>	<b>312,847</b>	<b>2,429,942</b>	<b>48,962,234</b>	<b>52,005,006</b>
Profit for the year	-	-	-	13,626,830	13,626,830
Other comprehensive income for the year - net of taxation	-	-	-	-	-
Total comprehensive income for the year - net of taxation	-	-	-	13,626,830	13,626,830
Transaction with owners:					
Dividend declared (Note 25)	-	-	-	(839,953)	(839,953)
Total transaction with owners	-	-	-	(839,953)	(839,953)
<b>At 31 December 2024</b>	<b>299,983</b>	<b>312,847</b>	<b>2,429,942</b>	<b>61,749,111</b>	<b>64,791,883</b>
<b>At 1 January 2023</b>	<b>299,983</b>	<b>312,847</b>	<b>2,429,942</b>	<b>43,220,578</b>	<b>46,263,350</b>
Profit for the year	-	-	-	6,442,223	6,442,223
Other comprehensive income for the year - net of taxation	-	-	-	-	-
Total comprehensive income for the year - net of taxation	-	-	-	6,442,223	6,442,223
Transaction with owners:					
Dividend declared (Note 25)	-	-	-	(701,961)	(701,961)
Statute barred unclaimed dividend returned (Note 25)	-	-	-	1,394	1,394
Total transaction with owners	-	-	-	(700,567)	(700,567)
<b>At 31 December 2023</b>	<b>299,983</b>	<b>312,847</b>	<b>2,429,942</b>	<b>48,962,234</b>	<b>52,005,006</b>

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



## STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	31 December 2024 N'000	31 December 2023 N'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	29	19,960,742	19,303,990
Income tax paid	24	(2,445,190)	(2,060,190)
<b>Net cash flow generated from operating activities</b>		<b>17,515,552</b>	<b>17,243,800</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	20	(7,735,256)	(13,459,475)
Prepayment of right of use asset	21	(93,076)	(153,749)
Proceeds from disposal of property, plant and equipment		38,764	17,040
Additional loan to related party	17.1	(18,975,015)	(14,320,000)
Receipt of loan repayment from related party	17.1	4,926,000	8,640,880
Interest received	11.1	1,900,729	1,166,764
<b>Net cash flow used in investing activities</b>		<b>(19,937,854)</b>	<b>(18,108,540)</b>
<b>Cash flows from financing activities</b>			
Proceeds from short term borrowings	19	5,034,545	7,714,795
Repayment of short-term borrowings	19	(16,171,542)	(1,962,877)
Interest paid	19	(1,182,285)	(2,010,025)
Dividend paid	25	(839,953)	(701,961)
Unclaimed dividend returned	25	5,797	22,649
<b>Net cash flow (used in)/ generated from financing activities</b>		<b>(13,153,438)</b>	<b>3,062,581</b>
Net (decrease)/increase in cash and cash equivalents		(15,575,740)	2,197,841
Effect of exchange rate changes on cash and cash equivalents	10.1	(580,104)	8,819,001
Cash and cash equivalents at 1 January		26,809,458	15,792,616
<b>Cash and cash equivalents at 31 December</b>	18	<b>10,653,614</b>	<b>26,809,458</b>

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

**BETA GLASS PLC****Annual Report and Financial Statements for the year ended 31 December 2024****NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024**

<b>Note</b>		<b>Page</b>	<b>Note</b>		<b>Page</b>
1	General information	26	19	Borrowings	50
2	Summary of material accounting policies	26	20	Property, plant and equipment	61
3	Financial instruments risk management	39	21	Right-of-Use asset	63
4	Capital risk management	45	22	Deferred tax liabilities	63
5	Significant accounting estimates and judgments	45	23	Trade and other payables	64
6	Segment information	46	24	Current income tax	65
7	Revenue from contracts with customers	47	25	Dividend payable	66
8	Expenses by function	47	26	Issued Share Capital and Share Premium	66
9	Other income/(expenses)	50	27	Other reserves	67
10	Foreign exchange gain/(loss)	51	28	Retained earnings	67
11	Finance income and costs	52	29	Cash generated from operating activities	68
12	Income tax expense	52	30	Related parties	69
13	Earnings per share	53	31	Contingent liabilities	71
14	Particulars of the Directors and Employees	54	32	Commitments	71
15	Intangible Assets	56	33	Events after reporting date	71
16	Inventories	57	34	Securities trading policy	72
17	Trade and other receivables	58	35	Compliance with regulatory bodies	72
18	Cash and cash equivalents	60	36	Prior year comparative	72

## BETA GLASS PLC

### Annual Report and Financial Statements for the year ended 31 December 2024

#### NOTES TO THE FINANCIAL STATEMENTS

##### 1 General information

Beta Glass Plc (“the Company”) manufactures, distributes and sells glass bottles and containers for the leading soft drinks, breweries, wine and spirit, pharmaceutical, food and cosmetics companies. The Company has manufacturing plants in Agbara, Ogun State, and in Ughelli, Delta State. Beta Glass Plc exports to some countries including Ghana, Burkina Faso, Côte d’Ivoire, Sierra Leone, Guinea and Liberia.

The Company is a public limited company, listed on the Nigerian Exchange Group (NGX) and incorporated and domiciled in Nigeria. The address of its registered office is 5th Floor, Churchgate Tower 2, Plot PC31, Churchgate Street, Victoria Island, Lagos State, Nigeria.

Beta Glass Plc is a subsidiary of Frigoglass Industries Nigeria Limited (the parent Company), which holds 61.9% of the ordinary shares of the Company. The ultimate controlling party is Frigo DebtCo Plc (incorporated in the United Kingdom). All press releases, annual reports and other information are available at the website of Beta Glass Plc: [www.betaglass.com](http://www.betaglass.com).

##### 2 Summary of material accounting policies

###### 2.1 Basis of preparation

These financial statements are the stand-alone financial statements of the Company.

The financial statements have been prepared in accordance with IFRS Accounting Standards, as issued by International Accounting Standards Board and in accordance with requirements of Financial Reporting Council of Nigeria (Amendment) Act 2023 and provisions of Companies and Allied Matters Act (CAMA), 2020.

The financial statements have been prepared on a historical cost basis, except for inventories at lower of cost and net realisable value, zero depreciation for land, and financial asset and financial liabilities measured initially at fair value and subsequently at amortised cost.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the Directors to exercise judgement 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. The Directors believe that the underlying assumptions are appropriate and that the Company’s financial statements therefore present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 5.

The financial statements comprise the Statement of Financial Position, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and the Notes to the Audited Financial Statements.

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors on March 26, 2025.

The financial statements have been prepared in Naira and all values are rounded to the nearest thousand (N’000), except where otherwise indicated.

###### 2.1.1 Going concern

The Company’s management has assessed its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company’s ability to continue as a going concern. Therefore, the financial statements have been prepared on a going concern basis, which assumes the Company will be able to realise its assets and discharge its liabilities in the normal course of business for the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

2.1 Basis of preparation (continued)

2.1.2 Changes in accounting policies and disclosures

***(a) New standards, amendments and interpretations adopted by the Company***

The following standards have been adopted by the Company for the first time for the financial year beginning on or after 1 January 2024 (unless otherwise stated). The nature and effect of changes as a result of adoption of these new standards are described below:

**Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback**

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Company's financial statements.

**Amendments to IAS 1 – Classification of Liabilities as Current or Non-current**

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments have not had an impact on the classification of the Company's liabilities.

**Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7**

The recent amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments introduce new disclosure requirements that clarify the characteristics of supplier finance arrangements and mandate additional reporting on these arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendment had no impact on the Company's financial statement.

***(b) New standards, amendments and interpretations not yet effective for adoption***

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2024, and beyond and have not been applied in preparing these financial statements. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective. The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below:

**Lack of exchangeability – Amendments to IAS 21**

In August 2023, the IASB issued amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates, to clarify how an entity should assess whether a currency is exchangeable and determine the spot exchange rate in the absence of exchangeability. The amendments also require the disclosure of information that allows users of the financial statements to understand how the lack of exchangeability between currencies affects, or is expected to affect, the entity's financial performance, position, and cash flows.

The amendments will be effective for annual reporting periods beginning on or after January 1, 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The impact assessment of the amendments is still on going.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

2.1.2 Changes in accounting policies and disclosures (continued)

*(b) New standards, amendments and interpretations not yet effective for adoption (continued)*

**IFRS 18 – Presentation and Disclosure in Financial Statements**

In April 2024, the IASB issued IFRS 18, which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management - defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the Notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after January 1, 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Company is currently working to identify all impacts the amendments will have on the primary financial statements and Notes to the financial statements.

**IFRS 19 – Subsidiaries without Public Accountability: Disclosures**

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards. IFRS 19 will become effective for reporting periods beginning on or after January 1, 2027, with early application permitted.

As the Company's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

**Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7**

The amendments will be effective for annual reporting periods beginning on or after January 1, 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The new requirements will be applied retrospectively with an adjustment to opening retained earnings. Prior periods are not required to be restated and can only be restated without using hindsight. An entity is required to disclose information about financial assets that change their measurement category due to the amendments.

These amendments clarify that a financial liability is derecognised on the 'settlement date', i.e. when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

They also clarify how to assess the contractual cashflow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.

Finally, they clarify the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in IFRS 7 are required for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The impact assessment of the amendment is still on going.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

2.1.2 Changes in accounting policies and disclosures (continued)

*(b) New standards, amendments and interpretations not yet effective for adoption (continued)*

**Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7**

In December 2024, the IASB Board issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments clarify the 'own use', but the guidance permitting hedge accounting have to be applied prospectively to new hedging relationships designated on or after the date of initial application. The amendment includes:

- Clarification of the application of the 'own-use' requirements
- Allowance for hedge accounting when these contracts are used as hedging instruments
- Introduction of new disclosure requirements to help investors understand the impact of these contracts on a company's financial performance and cash flows.

The impact assessment of the amendments is still on going.

**Improvements to International Financial Reporting Standards**

The IASB's annual improvements process deals with non-urgent, but necessary, clarifications and amendments to IFRS. In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards. The following is a summary of the amendments from the Annual Improvements to IFRS Accounting.

- 1) IFRS 1 First-time Adoption of International Financial Reporting Standards: Hedge Accounting by a First-time Adopter
- 2) IFRS 7 Financial Instruments: Gain or Loss on Derecognition
- 3) Guidance on implementing IFRS 7 Financial Instruments: Disclosures
- 4) IFRS 9 Financial Instruments
- 5) IFRS 10 Consolidated Financial Statements
- 6) IAS 7 Statement of Cash Flows

**Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28**

In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted. The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

The amendments must be applied prospectively. Early application is permitted and must be disclosed. The amendments are intended to eliminate diversity in practice and give preparers a consistent set of principles to apply for such transactions. However, the application of the definition of a business is judgemental and entities need to consider the definition carefully in such transactions.

In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendment will not have impact on the Company when it becomes effective.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company in the current or future reporting period and on foreseeable future transactions.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

**2.2 Segment reporting**

The operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker, who is responsible for allocating resources and assessing the performance of the operating segment, has been identified as the Board of Directors of Beta Glass Plc.

**2.3 Foreign currency translation**

**(a) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency and presentation currency of Beta Glass Plc is the Nigerian naira (N).

**(b) Transactions and balances**

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at the reporting date at exchange rates of monetary assets and liabilities denominated in currencies other than the Company's functional currency are recognized in the foreign exchange gain or loss in the profit or loss.

Foreign exchange gains and losses are presented in the profit or loss as foreign exchange gain or loss.

**2.4 Property, plant and equipment**

All property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized 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 can be measured reliably. All other repairs and maintenance costs including costs of property, plant and equipment below N50,000 are charged to profit or loss during the financial period in which they are incurred.

Property, Plant and Equipment under construction are not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

<b>Land:</b>	Nil
Building	3%
<b>Plant and machinery:</b>	
- Factory equipment and tools	10%
- Quarry equipment and machinery	20%
- Glass moulds	50%
- Other plant and machinery	10%
<b>Furnaces</b>	14%
<b>Motor vehicles</b>	20%
<b>Furniture, Fittings and equipment:</b>	
- Office and house equipment	15%
- Household furniture and fittings	20%
- Computer equipment	25%
<b>Assets under Construction</b>	Nil

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

**2.4 Property, plant and equipment (continued)**

The assets' residual values and useful lives and method of depreciation are reviewed and adjusted if appropriate, at the end of each reporting date.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognized.

In the case where an asset's carrying amount is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference (impairment loss) is recorded as expense in the profit or loss.

Gains and losses on disposal of property, plant and equipment are determined by the difference between the sales proceeds and the carrying amount of the asset. These gains and losses are included in the profit or loss.

Interest costs on borrowings specifically used to finance the acquisition of property, plant and equipment are capitalized during the period of time required to prepare and complete the asset for its intended use. Other borrowing costs are recorded in the profit or loss as expenses. There have been no qualifying assets in both periods presented in the financial statements.

**2.5 Leases**

The Company assesses at contract inception whether a contract is or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

***Company as a lessee***

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets."

**i) Right-of-use assets**

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

**Buildings**

**1- 2 years**

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.7 - Impairment of non-financial assets.

**ii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term lease for some warehouses and guest house (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Company has a guest house leased to accommodate its workers at a proximate location to its plant, which it categorised as short-term leases asset. Lease payments on short-term leases are recognised as expense in the profit or loss.

**iii) Lease liabilities**

At the commencement date of the lease, the Company does not have any lease liabilities measured at the present value of lease payments to be made over the lease term. The lease agreement does not contain/ include any exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease.



NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

**2.6 Intangible assets**

***Computer software***

Capitalized software licenses are acquired and carried at acquisition cost less accumulated amortization, less any accumulated impairment. They are amortized using the straight-line method over five (5) years. Computer software maintenance costs are recognized as expenses in the profit or loss as incurred.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

**2.7 Impairment of non-financial assets**

Assets that have an indefinite useful life not subject to amortization are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

**2.8. Financial instruments – initial recognition and subsequent measurement**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**2.8.1 Financial assets – initial recognition, classification and measurement**

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets are classified at initial recognition as, amortized cost, fair value through other comprehensive income (OCI), and fair value through the profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies on revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

**2.8.2 Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified into four categories:

- 1) Financial assets at amortized cost (debt instruments)
- 2) Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- 3) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- 4) Financial assets at fair value through profit or loss

The Company's financial assets include financial assets at amortized cost.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

**2.8.3 Financial assets at amortized cost (debt instruments)**

The Company measures financial assets at amortized cost if both of the following conditions are met:

- a) The financial asset is held within a business model with the objective of holding financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in the profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost include trade receivables, staff advances and receivables from related parties and cash and bank balances.

The Company did not own any financial assets that can be classified otherwise during the periods presented in these financial statements.

**2.8.4 Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**2.8.5 Impairment of financial assets and financial guarantees**

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through the profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms (if any).

ECLs are recognized in two stages. For credit exposures for which there has not been any significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company calculates ECLs based on three probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

**2.8.5 Impairment of financial assets and financial guarantees (continued)**

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon.

EAD - The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise.

LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Company considers three scenarios (a base case, an upside, and a downside). Each of these is associated with different PDs, EADs and LGDs. In its ECL models, the Company relies on a broad range of forward-looking information as economic inputs, such as:

- GDP growth
- Oil price
- Exchange rate
- Inflation rate

**2.8.6 Write-offs**

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the profit or loss.

**2.9 Financial liabilities**

Financial liabilities are at amortized cost. These include trade and other payables and loan and borrowings.

***Recognition and measurement***

Trade payables are initially recognized at fair value. Subsequently, trade payables are measured at amortized cost using the effective interest method.

Loans and borrowings are recognized initially at fair value, net of any transaction costs incurred, and subsequently at amortized cost using the effective interest method. These are classified as current liabilities if payment is due within twelve months. Otherwise, they are presented as non-current liabilities.

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. The Company has given financial guarantees to Noteholders on behalf of Frigo Debt Co Plc as disclosed in Note 31.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- The amount of the loss allowance; and
- The premium received on initial recognition less income recognized in accordance with the principles of IFRS 15.

The loss allowance is recognized as a provision.

***Derecognition***

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

**2.10 Offsetting financial instruments**

Financial assets and liabilities are offset, and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**2.11 Inventories**

Inventories are recorded at the lower of cost and net realizable 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. Net realizable value is the estimated selling price in the ordinary course of business, less any applicable selling expenses.

Raw and packaging materials is measured based on purchase cost including transportation and clearing costs on a weighted average basis. The cost of finished goods and work in progress is determined using the weighted average cost of raw and packaging materials, direct labor, other direct costs and related production overheads (based on normal operating capacity), incurred in bringing inventory to its present location and condition.

The cost of engineering spares and other consumables is determined using the weighted average method. Goods in transit are based on purchase costs incurred to date.

Allowance is made for excessive, obsolete and slow-moving items. Write-downs to net realizable value and inventory losses are expensed in the period in which the write-downs or losses occur.

**2.12 Trade receivables**

Trade receivables are recognized initially at transaction price and subsequently measured at amortized cost using the effective interest method less provision for impairment. Trade receivable is impaired using a provision matrix to calculate Expected Credit Loss (ECL). The Company applies a simplified approach in calculating ECLs.

Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss. The expected credit loss on receivables recognized in the current year has been disclosed in the statement of profit or loss and other comprehensive income.

**2.13 Cash and cash equivalents**

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

**2.14 Borrowing cost**

General and specific borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such a time as the assets are substantially ready for their intended use or sale

All other borrowing costs are recognized in the profit or loss in the period in which they are incurred.

No borrowing costs were capitalized in 2024 (2023: Nil) as there were no qualifying assets.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

**2.15 Corporate income tax**

***Current income tax***

The tax for the period comprises current, education and deferred tax. Tax is recognized in the profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is recognized in other comprehensive income or directly in equity, respectively.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit or loss 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 at the reporting date.

***Deferred tax***

Deferred tax is the tax expected to be payable or recoverable on temporary 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 is accounted for using the liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized 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 tax 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 realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, in which case the deferred tax is also dealt with in other comprehensive income or equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax liabilities on a net basis.

Deferred tax assets and liabilities are presented as non-current in the statement of financial position.

**2.16 Employee benefit obligation**

The company operates defined contribution pension plans for its employees in line with the Pension Reform Act 2014.

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The company contributes 13% while the employee contributes 8% of the basic salary, transport and housing allowance. The Company's contributions are recognized as employee benefit expenses and charged to the profit or loss account when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**2.17 Export expansion grant**

Export expansion grants (EEG) from the government are recognized initially at fair value and subsequently measured at amortized cost when there is a reasonable assurance that the grant will be received, and the Company has complied with all attached conditions. The grant is recognised as credit in the Cost of Sales in the profit or loss account at net of related expenses.

The following conditions must be met by the Company in order to receive the EEG:

- The Company must be registered with the Nigerian Export Promotion Council (NEPC).
- The Company must have a minimum annual export turnover of N5 million and evidence of repatriation of proceeds of exports.
- The Company shall submit its baseline data which includes audited financial statements and information on operational capacity to NEPC.
- An eligible company shall be a manufacturer, producer or merchant of products of Nigerian origin for the export market (i.e. the products must be made in Nigeria).
- Qualifying export transactions must have the proceeds fully repatriated within 300 days, calculated from the date of export and as approved by the EEG Implementation Committee.

**2.18 Revenue recognition from Contract with customers**

The company is in the business of manufacturing and sales of glassware and glass bottles for soft drinks, breweries, pharmaceuticals, cosmetics, and food companies among others.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue comprises the fair value for the sale of goods and services net of value-added tax, rebates and discounts. Revenue is measured at the transaction price. This is the amount that an entity expects to be entitled in exchange for transferring promised goods or services to the customer (excluding amounts collected on behalf of third parties, for example, sales taxes). Revenue from the sale of goods is recognized when all of the following conditions are satisfied:

- the company has identified a sales contract with a customer,
- the performance obligations within this contract have been identified,
- the transaction price has been determined,
- this transaction price has been allocated to the performance obligations in the contract; and
- revenue is recognized as or when each performance obligation is satisfied.

The sale of bottles is based on Ex-works prices agreed with the customers. Further, the consideration to be paid in one contract does not depend on the price or performance of the other contract. Goods or services promised in the separate contracts are not a single performance obligation. There are no other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

The company performs an obligation once the products or goods are transferred to the customer, that is ownership, legal title, physical possession, and significant control related to the products have been transferred to the customer and the customer has accepted the products.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of bottles, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

The consideration to be received is stated in the contract i.e. invoice as the contract price, which is agreed upon, accepted, and signed by the customer. Revenue comprises the fair value for sales of goods and services net of value-added tax, rebates and discounts. Rebates constitute a variable consideration and are allocated to a single performance obligation affected.

The transaction price as stated in the invoice relates to the performance of obligation by the entity when the goods have been delivered to the customers.

Revenue from the sales of goods is recognized when the ownership and controls of the goods are transferred to the buyer. Where goods are picked up by customers, risk is transferred immediately. Where goods are delivered, revenue is recognized when order by the customer is delivered to the customers with the evidence of the delivery note acknowledged/signed by the customers.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

**2.18 Revenue recognition from Contract with customers (continued)**

***Variable consideration***

Rebates constitute a variable consideration and are allocated to a single performance obligation affected.

***Significant financing component***

For bottle sales transactions, the receipt of the consideration by the Company does not match the timing of the delivery of bottles to the customer (e.g., the consideration is paid after the bottles has been delivered). Using the practical expedient in IFRS 15, the Company does not adjust the promised amount of consideration for the effects of a significant financing component since 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.

***Consideration payable to a customer:*** No consideration is payable to the customer in respect of sales of glass bottles.

***Contract balances:***

***Contract assets:*** No contract assets as all sales are unconditional.

***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).

***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 recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

**2.19 Provisions**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

**2.20 Dividend distribution**

Dividend distribution to the Company's shareholders is recognized as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders.

**3 Financial instruments risk management**

The Company's business activities are exposed to a variety of financial risks: market risk (including foreign exchange, interest rate, and price), credit risk and liquidity risk. The objective of the Company's risk management program is to minimize potential adverse impacts on the Company's financial performance.

Risk management is carried out in line with policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as sets the overall risk appetite for the Company. Specific risk management approaches are defined for respective risks such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity. The Company's overall risk management program seeks to minimize potential adverse effects on the Company's financial performance.

Financial risk management is the responsibility of the Treasury Manager, who aims to effectively manage the financial risk of the Company, according to the policies approved by the Board of Directors. The Treasury Manager identifies and monitors financial risk. The Board provides principles for overall risk management, as well as policies covering specific areas such as foreign exchange, interest rates and credit risks, use of financial instruments and investment of excess liquidity.

The Company's financial instruments consist of trade and other receivables, trade and other payables, borrowings, cash in hand and at the bank.

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

**3 Financial instruments risk management (continued)**

<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Market Risk- Foreign exchange	Future commercial transactions recognized financial assets and liabilities not denominated in Naira units	Cash flow forecasting	Contractual agreements on exchange rates
Market risk – interest rate	Borrowings at variable rates	Sensitivity analysis	Interest rate negotiations
Credit risk	Cash and cash equivalents and trade receivables	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit. Investment guidelines for and held-to-maturity investments.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.

**3.1 Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, price risk, such as equity price risk and commodity risk, and interest rate risk. Financial instruments affected by market risk include deposits and loans and borrowings.

**(i) Foreign exchange risk**

The Company is exposed to foreign exchange risks from some of its commercial transactions and recognized assets. The Company buys and imports some of the raw materials used for production, the payments for which are made in US Dollars. Receipts for sales of finished goods in Nigeria are in Naira whilst receipts for sales of finished goods to foreign countries are in US dollars. The Company makes payments and collects receipts primarily in Nigerian Naira. Periodically, receipts and payments are made in other currencies, mostly in the US dollar and Euro.

Management's approach to managing foreign exchange risk is to hold foreign currency bank accounts which act as a natural hedge for these transactions.

The Company's exposure to Euro and US Dollar (USD) are as follows:

	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	<b>Euro'000</b>	<b>USD'000</b>	<b>Euro'000</b>	<b>USD'000</b>
<b>Financial assets</b>				
Cash in hand and at bank	2,371	1,339	-	20,152
Trade receivables	1,562	173	-	2,413
	<u>3,933</u>	<u>1,512</u>	<u>-</u>	<u>22,565</u>
<b>Financial liabilities</b>				
Borrowings	3,466	13,922	4,994	21,878
Trade payables	1,318	55	2,756	959
Related parties payable	1,192	-	950	-
	<u>5,976</u>	<u>13,976</u>	<u>8,701</u>	<u>22,837</u>
<b>Net amount</b>	<b>(2,043)</b>	<b>(12,464)</b>	<b>(8,701)</b>	<b>(272)</b>



## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

## 3.1 Market risk (continued)

*(i) Foreign exchange risk (continued)*

Effects of changes in Naira exchange rate on the Company's Result:

	<b>2024</b> <b>N'000</b>	<b>2024</b> <b>N'000</b>	<b>2023</b> <b>N'000</b>	<b>2023</b> <b>N'000</b>
	Effect on profit before tax Euro	Effect on profit before tax USD	Effect on profit before tax Euro	Effect on profit before tax USD
15 percent strengthening of the Naira to Euro /USD	488,960	2,871,365	1,297,761	36,653
15 percent weakening of the Naira to Euro / USD	(488,960)	(2,871,365)	(1,297,761)	- 36,653

The above analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period, but it has no impact on equity. The analysis assumes that all other variables remain constant.

*(ii) Price risk*

The Company is not exposed to price risk as it does not hold any equity instruments or commodity trade at active exchange market.

*(iii) Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk arises from borrowings. Borrowings are issued at floating rates exposing the Company to cash flow interest rate risk which is partially offset by cash held at variable rates. The Company's policy on managing interest rate risk is to negotiate favourable terms with the banks to reduce the impact of exposure to this risk and to obtain competitive rates for loans and for deposits. The Company had short-term borrowing as at 31 December 2024 of N26.91 billion and 31 December 2023 of N24.65 billion which have variable interest rates.

<b>Interest rate sensitivity</b>	Increase/decrease in interest rate %	Effect on profit before tax
		<b>N'000</b>
<b>2024</b>		
Variable rate instruments	+2	-38,736
Variable rate instruments	-2	38,736
<b>2023</b>		
Variable rate instruments	+1	2,518
Variable rate instruments	-1	(2,518)

The basis point for the sensitivity analysis increased in 2024 as a result of an increase in the interest rates.

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

**3.2 Credit risk**

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from cash and cash equivalents as well as credit exposures to customers, including outstanding receivables and committed transactions.

The Company uses policies to ensure that sales of products are to customers with appropriate credit history. The granting of credit is controlled by credit limits and the application of certain terms of sale. The continuous creditworthiness of the existing customers is monitored periodically based on history of performance of the obligations and settlement of their debt. Appropriate provision for impairment losses is made for specific credit risks. At the year-end, the Company considered that there were no material credit risks that had not been covered by Expected Credit Loss (ECL) provisions.

No credit limits on cash amounts were exceeded during the reporting period and management does not expect any losses from non-performance by these counterparties. None of the counterparties renegotiated their terms in the reporting period. The maximum exposure to credit risk for trade receivables approximates the amount recognized on the statement of financial position. The exposure on the financial guarantee is included in Note 23 (iv). The Company does not hold any collateral as security.

The table below analyses the Company's financial assets into relevant maturity groupings as at the reporting date.

**31 December 2024**

<b>Financial assets:</b>	<b>Neither past due nor impaired N'000</b>	<b>Up to 90 days N'000</b>	<b>91 - 150 days N'000</b>	<b>Over 150 days N'000</b>	<b>Total N'000</b>
Cash at bank (Note 18)	10,653,214	-	-	-	10,653,214
Trade receivables (Note 17)	18,967,415	1,078,978	138,391	1,510,165	21,694,949
Receivables from related parties (Note 17)	36,681,895	109,217	8,116	-	36,799,228
Staff receivables (Note 17)	191,474	-	-	-	191,474
	<b>66,493,998</b>	<b>1,188,195</b>	<b>146,507</b>	<b>1,510,165</b>	<b>69,338,865</b>

**31 December 2023**

<b>Financial assets:</b>	<b>Neither past due nor impaired N'000</b>	<b>Up to 90 days N'000</b>	<b>91 - 150 days N'000</b>	<b>Over 150 days N'000</b>	<b>Total N'000</b>
Cash at bank (Note 18)	26,809,458	-	-	-	26,809,458
Trade receivables (Note 17)	5,702,135	1,851,258	34,253	1,467,210	9,054,856
Receivables from related parties (Note 17)	16,449,526	9,030	-	-	16,458,556
Staff receivables (Note 17)	251,409	-	-	-	251,409
	<b>49,212,066</b>	<b>1,860,288</b>	<b>34,253</b>	<b>1,467,210</b>	<b>52,573,817</b>

Receivables from related parties and Staff receivables are from counterparties with low risk of default.

Credit risk rating for intercompany receivable is based on the group credit rating.

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

**3.2 Credit risk (continued)**

An analysis of the international long term credit ratings of counterparties where cash and short-term deposits are held is as follows:

Credit rating	2024 N'000	2023 N'000
B-	328,304	468,931
AAA	10,324,498	26,339,591
Aa+	-	-
	<b>10,653,214</b>	<b>26,808,522</b>

The credit ratings are by Fitch and Augusto rating agencies and below are the interpretations of the rating.

**B-:** The rating indicates that the industry operates in a high-risk environment, economic fundamentals are weak, and industry risk is very high. Financial commitments are currently being met; however, the capacity for continued payment is vulnerable to deterioration in the business and economic environment.

**Aa+:** A financial institution of very good financial condition and strong capacity to meet its obligations as and when they fall due.

**AAA:** A financial institution of very good condition and strong capacity to meet its obligations as and when due. Adverse changes in the environment (macro-economic, political and regulatory) will result in a slight increase in the risk attributable to an exposure to this financial institution. However, financial condition and ability to meet obligations as at when due remain strong.

In assessing the Company's internal rating process, the Company's customers and counterparties are assessed based on a credit scoring model that takes into account various historical, current and forward-looking information such as:

- Any publicly available information on the Company's customers and counterparties from external parties. This includes external rating grades issued by rating agencies, independent analyst reports, publicly traded bonds or press releases and articles.
- Any macroeconomic or geopolitical information, e.g., GDP growth relevant for the specific industry and geographical segments where the client operates.

**Security**

No security is obtained for trade receivables either in the form of guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement. The company's sales transaction model is Business to Business model and major customers are multinationals while credit is granted on the strength of their credibility and past performance.

**3.3 Impairment of trade and related party receivables**

The company has trade receivable from sales of inventory, related party receivable and staff advances that are subject to the expected credit loss model.

Cash and cash equivalents are also subject to impairment requirements of IFRS 9, the identified impairment loss was immaterial.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for different customers and the calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the table (maturity grouping) above.

The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The company considered Inflation rate and Gross Domestic Products (GDP) growth rates as future economic conditions in the ECL estimates.

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

## 3.3 Impairment of trade and related party receivables (continued)

The loss allowance as of 31 December 2024 and 31 December 2023 was determined as follows for trade receivables.

Trade Receivable	Days past due							Total N'000
	Current N'000	<30 days N'000	31–60 days N'000	61–90 days N'000	91–120 days N'000	121–180 days N'000	Above 180 days N'000	
<b>31-Dec-24</b>								
<b>Expected credit loss rate</b>	<b>2.87%</b>	<b>7.49%</b>	<b>45.45%</b>	<b>61.75%</b>	<b>73.20%</b>	<b>100.00%</b>	<b>100.00%</b>	
Estimated total gross carrying amount at default	19,829,688	417,800	123,941	138,710	1	-	1,184,809	21,694,949
<b>Expected credit loss</b>	<b>569,208</b>	<b>31,293</b>	<b>56,331</b>	<b>85,653</b>	<b>1</b>	<b>-</b>	<b>1,184,809</b>	<b>1,927,295</b>
<b>31-Dec-23</b>								
<b>Expected credit loss rate</b>	<b>2.08%</b>	<b>1.38%</b>	<b>10.43%</b>	<b>20.88%</b>	<b>0.00%</b>	<b>73.40%</b>	<b>100.00%</b>	
Estimated total gross carrying amount at default	8,398,838	417,800	204,864	4,951	-	1	28,403	9,054,857
<b>Expected credit loss</b>	<b>174,389</b>	<b>5,771</b>	<b>21,373</b>	<b>1,034</b>	<b>-</b>	<b>1</b>	<b>28,403</b>	<b>230,971</b>

**Expected credit loss measurement - other financial assets**

The Company applied the general approach in computing expected credit losses (ECL) for intercompany receivables and cash and cash equivalents. The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The ECL is determined by projecting the probability of default (PD), loss given default (LGD) and exposure at default (EAD) for each future month and for each individual exposure. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The 12-month and Lifetime PDs are derived by mapping the internal rating grade of the obligors to the PD term structure of an external rating agency for all asset classes. The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type. The assumptions underlying the ECL calculation – such as how the maturity profile of the PDs, etc. – are monitored and reviewed on a regular basis. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

**Analysis at gross carrying amount**

	Related Parties Receivable				Expected Credit loss
	Stage 1	Stage 2	Stage 3	Total	
Balance as at 1 January 2024	16,458,556	-	-	16,458,556	(246,314)
Balance as at 31 December 2024	36,799,228	-	-	36,799,228	(246,314)

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

**3.4 Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Liquidity risk is managed by maintaining sufficient cash reserves to always meet operational needs so that the Company does not breach the borrowing limit. The Company also has access to sufficient varieties sources of funding facilities from banks namely: trade finance, bank overdraft and short-term loan to meet its short-term commitments. The Company manages liquidity risk through effective working capital and cash flow management.

The Company invests its surplus cash in interest bearing accounts. At the reporting date the Company had no investment in interest bearing account except Unclaimed dividend fund of N188 million (December 2023: N3.07 billion including Unclaimed dividend of N183 million) in interest bearing accounts.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows.

	<b>Less than 3 months</b>	<b>3 months to 12 months</b>	<b>Total</b>
<b>At 31 December 2024</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Financial liabilities:</b>			
Trade payables	21,100,206	-	21,100,206
Accrued expenses and other payables	2,640,648		2,640,648
Liability arising from financial guarantee (Note 23.(iv))	-	325,893	325,893
Amounts due to related parties (Note 30.2)	5,297,086	-	5,297,086
Borrowings (Note 19)	<u>26,910,912</u>	<u>-</u>	<u>26,910,912</u>
	<b><u>55,948,852</u></b>	<b><u>325,893</u></b>	<b><u>56,274,745</u></b>

	<b>Less than 3 months</b>	<b>3 months to 12 months</b>	<b>Total</b>
<b>At 31 December 2023</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Financial liabilities:</b>			
Trade payables	14,448,407	-	14,448,407
Accrued expenses and other payables	5,645,652		5,645,652
Liability arising from financial guarantee (Note 31)		185,158	185,158
Amounts due to related parties (Note 30.2)	1,397,053		1,397,053
Borrowings (Note 19)	<u>24,647,423</u>	<u>-</u>	<u>24,647,423</u>
	<b><u>46,138,535</u></b>	<b><u>185,158</u></b>	<b><u>46,323,693</u></b>

**3.5 Financial instruments which are carried at other than fair value**

The carrying value of all financial assets and financial liabilities is a reasonable approximation of fair value. The approximation is due to the short-term nature of the instruments. No further disclosure is required.

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

## 4 Capital risk management

The objective of managing capital is to safeguard the Company's ability to continue as a going concern in order to maximise returns for shareholders and benefits for other stakeholders, as well as maintaining the optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, capital returned to shareholders, new shares issued, or debt raised.

Consistent with others in the industry, the Company monitors capital on a monthly basis using the gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as borrowings plus trade and other payable less Cash in hand and at bank. Total equity is calculated as the sum of all equity components on the statement of financial position.

The gearing ratios at 31 December 2024 and 31 December 2023 are as follows:

	<b>2024</b>	<b>2023</b>
	<b>N'000</b>	<b>N'000</b>
Borrowings (Note 19)	26,910,912	24,647,423
Trade and other payables (Note 23)	32,138,773	23,257,755
Less: Cash in hand and at bank (Note 18)	(10,653,626)	(26,809,470)
<b>Net Debt</b>	<b>48,396,059</b>	<b>21,095,708</b>
Total equity	<b>64,791,883</b>	<b>52,005,006</b>
<b>Gearing %</b>	<b>74.7%</b>	<b>40.6%</b>

## 5 Significant accounting estimates and judgments

**Significant judgement and key sources of estimation uncertainty**

The preparation of financial statements requires directors to use judgment in applying their accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on directors' experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. Significant accounting judgments and estimates made in the preparation of the financial statements is shown below.

**Plant and machinery**

Plant and machinery is depreciated over its useful life. Beta Glass Plc estimates the useful lives of plant and machinery based on the period over which the assets are expected to be available for use. The estimation of the useful lives of plant and machinery are based on technical evaluations carried out by those staff with knowledge of the machines and experience with similar assets. Estimates could change if expectations differ due to physical wear and tear and technical or commercial obsolescence. It is possible however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the plant and machinery would increase expenses and decrease the value of non-current assets.

**Export Expansion Grant and Negotiable Duty Credit Certificate**

Export Expansion Grant (EEG) is a very vital incentive of the Federal Government of Nigeria required for the stimulation of export-oriented activities that will lead to significant growth of the non-oil export sector. Having met the eligibility criteria and registered under the scheme by the Nigerian Export Promotion Council (NEPC), the Company is entitled to a rebate on export sales in as much as it can demonstrate that the proceeds of the related sales have been repatriated through an approved channel to the country within 300 days of such export sales.

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

## 5 Significant accounting estimates and judgments (continued)

**Export Expansion Grant and Negotiable Duty Credit Certificate (continued)**

The rebate is recognised as a credit to cost of sales and as a receivable from the Federal Government of Nigeria (i.e. EEG receivable). As at 31 December 2024, EEG receivable stood at N2.78 billion (31 December 2023: N1.56billion) as disclosed in Note 17.

Negotiable Duty Credit Certificate (NDCC) is the instrument of the Federal Government of Nigeria (FGN) for settlement of EEG receivable. The NDCC was used for the payment of Import and Excise duties in lieu of cash. However, NEPC has stopped issuing NDCC in line with the new guidelines and all our NDCC has been returned for replacement with proposed promissory notes in line with the new guidelines.

Though, a significant component of the EEG receivable and unutilized NDCC have been outstanding for more than 1 year, no impairment charge has been recognised because they are regarded as sovereign debts. Moreover, the Government has not communicated or indicated unwillingness to honour the obligations. Thus, the outstanding balances are classified as current assets accordingly.

**Provision for expected credit losses on trade receivables, Inter-company receivables and financial guarantee**

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for different customers and the calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

## 6 Segment information

IFRS 8 requires operating segments to be determined based on the Company's internal reporting to the Chief Operating Decision Maker ("CODM"). The CODM has been determined to be the Board of Directors which includes executive directors and other key management. It is the Board of Directors that has responsibility for planning and controlling the activities of the Company.

The company's reportable segment has been identified on a product basis as glass bottles. Beta Glass Plc is a one-segment business.

Customer sales greater than 10% of sales of Beta Glass Plc:

	2024		2023	
	N'000	%	N'000	%
Customer 1	26,036,546	22%	12,695,972	24%
Customer 2	21,636,825	18%	10,193,097	17%
Customer 3	11,735,605	10%	7,840,230	14%
Customer 4	16,752,432	14%	7,654,495	13%

Customers 1 to 4 above are local customers that operate in Nigeria.

Revenue is generated from local and international sales. An analysis based on customer location is set out below:

	2024	2023
	N'000	N'000
Local sales	107,689,680	59,132,491
Export sales	9,890,505	3,772,961
Total revenue	<b>117,580,185</b>	<b>62,905,452</b>

**BETA GLASS PLC****Annual Report and Financial Statements for the year ended 31 December 2024****NOTES TO THE FINANCIAL STATEMENTS – CONTINUED****6 Segment information (continued)**

The Board of Directors assesses the performance of the operating segments based on profit from operations.

	<b>2024</b>	<b>2023</b>
	<b>N'000</b>	<b>N'000</b>
Operating profit	<u>23,555,671</u>	<u>7,685,472</u>

**7 Revenue from contracts with customers*****Disaggregated revenue information***

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Type of goods:		
Sales of glassware and bottles	<u>117,580,184</u>	<u>62,905,451</u>
Geographical markets:		
Local	107,689,679	59,132,490
Export	<u>9,890,505</u>	<u>3,772,961</u>
	<b><u>117,580,184</u></b>	<b><u>62,905,451</u></b>

Revenue from the sale of glassware and bottles is recognized at a point in time, generally upon delivery of the bottles.

N972 million (2023: N425 million) included in revenue represents the balance in contract liabilities at the beginning of the year.

Included in sales of glassware and bottles are sales to related parties of N26.04 billion (2023: N12.69 billion). See Note 30 for further details.

**8 Analysis of expenses by nature****8.1 Cost of sales**

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Material consumed	34,406,570	21,117,324
Depreciation of property, plant and equipment (Note 20)	5,405,208	3,975,883
Technical assistance fees (Note 30.1)	3,791,961	2,028,700
Factory salaries and wages (Note 8.5)	3,756,874	3,291,460
Pension costs - defined contribution plans (Note 14c)	211,425	207,642
Fuel, gas and electricity	30,946,188	14,524,185
Other factory overheads	8,304,246	5,372,817
	<b><u>86,822,476</u></b>	<b><u>50,518,011</u></b>

Other factory overheads comprise repair and maintenance of plant and machinery, building and motor vehicle, insurance premium, staff canteen expenses and other factory overheads.



**BETA GLASS PLC**

**Annual Report and Financial Statements for the year ended 31 December 2024**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**

**8.2 Administrative expenses**

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Depreciation of property, plant and equipment (Note 20)	79,686	66,910
Amortisation of intangible assets (Note 15)	3,934	4,212
Depreciation of right of use assets (Note 21)	115,707	164,922
Auditors' remuneration	56,059	38,274
Legal services fees	27,883	23,958
Other professional and regulatory fees	184,735	185,313
Salaries and wages (Note 8.5)	1,320,027	906,401
Pension costs - defined contribution plans (Note 14c)	68,986	67,199
Other personnel costs (Note 8.2 (i))	315,189	287,275
Directors' remuneration (Note 14d)	329,258	57,930
Management service charges (Note 30.1)	659,095	308,719
Travel and transportation	385,253	336,101
Repairs and maintenance of vehicles	329,727	179,902
Rent and Rates	341,536	212,063
Information technology and communication expenses	1,552,971	439,830
Other administrative expenses (Note 8.2 (ii))	639,185	341,554
	<b><u>6,409,231</u></b>	<b><u>3,620,563</u></b>

(i) The breakdown of Other personnel costs is as follows:

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Industrial Training Fund (ITF)	66,848	62,047
National Social Insurance Trust Fund (NSITF)	28,245	26,037
Medical Expense	127,257	109,316
Staff Welfare	42,857	28,872
Staff Training and Recruitment	49,982	61,003
	<b><u>315,189</u></b>	<b><u>287,275</u></b>

(ii) The breakdown of Other administrative expenses is as follows:

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Hotel & Accommodation	170,975	128,624
Printing and Publication	112,092	63,848
Annual General Meeting Expenses	73,379	45,815
Admin, Public Relations & Entertainment	118,433	73,305
Other administrative expenses	164,306	29,962
	<b><u>639,185</u></b>	<b><u>341,554</u></b>

## Annual Report and Financial Statements for the year ended 31 December 2024

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

**8.2 Administrative expenses (continued)**

(iii) Apart from the statutory and group audit, the firm of Ernst & Young also offered service for the sum of N5 million (2023: N5 million) for reporting on Internal Control Over Financial Reporting. These expenses are included in Other professional and regulatory fees.

**8.3 Selling and distribution expenses**

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Salaries and wages (Note 8.5)	97,072	89,872
Other selling and distribution expenses	242,010	228,314
	<b><u>339,082</u></b>	<b><u>318,186</u></b>

Other selling and distribution expenses include travel expenses for sales executives and haulage of finished goods to external warehouses.

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Cost of sales (Note 8.1)	86,822,476	50,518,011
Administrative expenses (Note 8.2)	6,409,231	3,620,563
Selling and distribution expenses	339,082	318,186
<b>Total cost of sales, administrative expenses and distribution costs</b>	<b><u>93,570,785</u></b>	<b><u>54,456,760</u></b>

**8.4 Credit loss expense**

The table below shows the expected credit loss (ECL) on financial instruments for the year 2024 recorded in the profit or loss:

	<b>Stage 1 Individual N'000</b>	<b>Simplified Model N'000</b>	<b>Total N'000</b>
Financial guarantee (note 23 (iv))	140,735	-	140,735
Debt instruments measured at amortised costs - trade receivables	-	1,475,395	1,475,395
	<b><u>140,735</u></b>	<b><u>1,475,395</u></b>	<b><u>1,616,130</u></b>

**BETA GLASS PLC**

**Annual Report and Financial Statements for the year ended 31 December 2024**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**

**8.4 Credit loss expense (continued)**

The table below shows the ECL charge on financial instruments for the year 2023:

	<i>Stage 1 Individual N'000</i>	<i>Simplified Model N'000</i>	<i>Total N'000</i>
Debt instruments measured at amortised cost -Related party loans	(220,929)	-	(220,929)
Financial guarantee (note 23.4)	140,735	-	140,735
Debt instruments measured at amortised costs - trade receivables	-	1,696,324	1,696,324
<b>Total</b>	<b>(80,194)</b>	<b>1,696,324</b>	<b>1,616,130</b>

**8.5 Salaries and wages**

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Salaries and wages include:		
Cost of sales (Note 8.1)	3,756,874	3,291,460
Administrative expenses (Note 8.2)	1,320,027	906,401
Selling and distribution expenses (Note 8.3)	97,072	89,872
	<b>5,173,973</b>	<b>4,287,733</b>

**9 Other income / (expenses)**

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Profit on disposal of property, plant and equipment	38,755	11,232
Gain/(loss) on transport, haulage and others	960,100	(366,038)
Proceeds from sale of scraps	163,547	92,035
	<b>1,162,402</b>	<b>(262,771)</b>

The proceeds from sales of scraps represents income from sales of waste bags from input raw materials and other waste from inventory.

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

## 10 Foreign exchange gain/(loss)

	31 December 2024	31 December 2023
	N'000	N'000
<b>Foreign exchange (loss)/gain</b>	<b><u>(1,742,362)</u></b>	<b><u>1,793,567</u></b>
<b>Analysed as follows:</b>		
Net realised gain (Note 10 (i))	15,339,924	1,254,114
Realised loss on borrowings (Note 10 (ii))	<u>(10,788,539)</u>	-
<b>Net realized foreign exchange gain</b>	<b>4,551,385</b>	<b>1,254,114</b>
Unrealised gain (Note 10 (iii))	180,796	10,266,667
Unrealised loss (Note 10 (iii))	<u>(6,474,543)</u>	<u>(9,727,214)</u>
<b>Net unrealized foreign exchange loss</b>	<b><u>(6,293,747)</u></b>	<b><u>539,453</u></b>
<b>Net foreign exchange (loss)/gain</b>	<b><u>(1,742,362)</u></b>	<b><u>1,793,567</u></b>

(i) Net realised foreign exchange gain arises from receipt of foreign trade receivables, payment of foreign trade payables and movements in domiciliary account balances.

(ii) Realised foreign exchange loss on borrowings relates to the repayment of import finance facilities in 2024.

(iii) Reconciliation of foreign exchange difference reported in the statement of cash flows

	31 December 2024	31 December 2023
	N'000	N'000
Unrealised foreign exchange (loss) / gain on cash and short-term deposit	(580,104)	8,819,001
Unrealised foreign exchange loss on import finance facilities	<u>(4,801,034)</u>	<u>(9,297,608)</u>
<b>Net unrealised foreign exchange loss on cash and borrowings</b>	<b>(5,381,138)</b>	<b>(478,607)</b>
Net unrealised foreign exchange (loss) / gain on other receivables & payables	<u>(912,609)</u>	<u>1,018,060</u>
<b>Net Unrealised foreign exchange (loss)/gain</b>	<b><u>(6,293,747)</u></b>	<b><u>539,453</u></b>

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

**11 Finance income and costs****11.1 Finance income**

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Interest income- related party borrowings	7,431,660	1,453,508
Interest income- fixed deposit	689,764	630,467
	<b><u>8,121,424</u></b>	<b><u>2,083,975</u></b>
<b><i>Reconciliation of finance Income to interest received:</i></b>		
Interest received	1,900,729	1,166,764
Accrued interest	6,220,695	917,211
<b>Finance income</b>	<b><u>8,121,424</u></b>	<b><u>2,083,975</u></b>

**11.2 Finance cost**

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Accrued interest expense on import finance facilities	(9,781,737)	(2,010,025)
Other bank charges	(249,263)	(107,663)
<b>Finance cost</b>	<b><u>10,031,360</u></b>	<b><u>(2,117,688)</u></b>

Interest is recognised using the effective interest rate method (amortised cost). Interest paid during the year was N1.18 billion (31 December 2023: N2.01 billion) – refer to Note 19.

**12 Income tax expense**

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Current income tax	4,506,677	2,329,402
Education tax	833,433	383,363
Police Trust Fund levy	995	472
Income tax from back duty	143,999	-
Total income tax provision for the year (Note 24)	5,485,104	2,713,237
Deferred tax charge for the year (Note 22)	791,439	289,866
<b>Income tax expense</b>	<b><u>6,276,543</u></b>	<b><u>3,003,103</u></b>

The current tax charge has been computed at the applicable rate of 30% (31 December 2023: 30%) plus education levy of 3% (31 December 2023: 3%) and Police trust fund levy of 0.005% (31 December 2023: 0.005%) on the profit for the year after adjusting for certain items of expenditure and income which are not deductible or chargeable for tax purposes. Non-deductible expenses include items such as donations and certain provisions which are not allowed as a deduction by the tax authorities. Tax exempt income includes income such as export profits and gain on disposal of assets, which are not taxable.

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

**12 Income tax expense (continued)**

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the Company as follows:

**Effective tax reconciliation**

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Profit before taxation	<u>19,960,660</u>	<u>9,445,326</u>
Tax at the Nigeria Corporation Tax rate of 30% (2023 :30%)	5,971,012	2,833,598
Tax effects of:		
Non chargeable income	(736,026)	(285,077)
Non-deductible expenses	188,974	119,898
Effect of education tax and police trust levy	834,428	383,835
Back duty tax	143,999	-
Effect of tax incentive	<u>(125,844)</u>	<u>(49,151)</u>
<b>Tax charge for the year</b>	<b><u>6,276,543</u></b>	<b><u>3,003,103</u></b>
<b>Effective tax rate</b>	<b>31.5%</b>	<b>31.8%</b>

**13 Earnings per share**

Basic earnings per share (EPS) is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding at the end of the reporting year.

	<b>31 December 2024</b>	<b>31 December 2023</b>
Profit attributable to shareholders of the Company (N' 000)	<u>13,626,830</u>	<u>6,442,223</u>
Adjusted weighted average number of ordinary shares in issue ('000)	<u>599,966</u>	<u>599,966</u>
Basic Earnings per share (Naira)	<u>22.71</u>	<u>10.74</u>

Diluted EPS is the same as the Basic earnings per share as there are no potential securities convertible to ordinary shares.

**BETA GLASS PLC**

**Annual Report and Financial Statements for the year ended 31 December 2024**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**14 Particulars of Directors and Employees**

a) The average number of employees excluding Directors, employed by the Company during the year was as follows:

	<b>31 December 2024 Number</b>	<b>31 December 2023 Number</b>
Executive Managers	3	5
Senior Managers	25	29
Managers	47	43
Supervisors	89	92
Specialists	214	223
Superintendents	156	166
Junior staff	268	235
	<b>802</b>	<b>793</b>

b) Salary Range:

The number of employees with gross emoluments excluding retirement benefits within the bands stated below were:

	<b>31 December 2024 Number</b>	<b>31 December 2023 Number</b>
N1,000,001 - N2,000,000	216	212
N2,000,001 - N3,000,000	103	190
Over N3,000,000	483	391
	<b>802</b>	<b>793</b>

c) Staff Cost

Staff costs for the above personnel (excluding executive Directors):

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Salaries and wages (Note 8.5)	5,173,973	4,287,733
Pension costs - defined contribution plans - Cost of Sales (Note 8.1)	211,425	207,642
Pension costs - defined contribution plans - Administrative (Note 8.2)	68,986	67,199
Other personnel costs (Note 8.2)	315,189	287,275
	<b>5,769,573</b>	<b>4,849,848</b>

**BETA GLASS PLC**

**Annual Report and Financial Statements for the year ended 31 December 2024**

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**

**14 Particulars of Directors and Employees (continued)**

d) Directors' emoluments

The remuneration paid to the Directors of the Company was:

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Fees and allowances for services as Directors	<u>329,258</u>	<u>57,930</u>
	<b><u>329,258</u></b>	<b><u>57,930</u></b>

Fees for services as directors include fees, sitting allowance and travel expenses. The Managing Director is the only management team member on the Board. His salary is paid by Frigoglass Industries (Nigeria) Limited and recharged to Beta Glass Plc accordingly.

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Analysis of Directors' emoluments:		
Fees related to prior period	30,062	-
Fees related to current period	35,875	4,875
Sitting allowances related to prior period	16,524	-
Sitting allowances related to current period	96,357	20,655
Amount charged by FINL (Note 14 d) (i))	150,440	-
Travel expenses (Note 14 d) (ii))	<u>-</u>	<u>32,400</u>
<b>Total Directors' emoluments</b>	<b><u>329,258</u></b>	<b><u>57,930</u></b>

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Amount paid to the Chairman	<u>23,041</u>	<u>8,644</u>
Amount paid to the highest paid Director (Note 14 d) (i))	<u>150,440</u>	<u>8,644</u>

(i) This represents the amount charged by Frigoglass Industries (Nigeria) Limited to Beta Glass Plc in respect of the Managing Director's salary.

(ii) The current Directors' remuneration policy does not include ticket allowance.



**BETA GLASS PLC**

**Annual Report and Financial Statements for the year ended 31 December 2024**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**14 Particulars of the Directors and Employees (continued)**

The number of Directors of the Company (including the highest paid Director) whose remuneration, excluding pension contributions, in respect of services to the Company fell within the following ranges:

	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>Number</b>	<b>Number</b>
N1,000,000 - N10,000,000	2	6
N10,000,001 - N20,000,000	4	-
N20,000,001 - N30,000,000	2	-
N30,000,001 - N40,000,000	2	-
	<b>10</b>	<b>6</b>
Directors with no emoluments	4	3

Directors with no emoluments waived their right to receive remuneration from the Company. Seven Directors were appointed, while five exited during the year.

**15 Intangible Assets**

	<b>Computer software</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>N'000</b>	<b>N'000</b>
<b>Cost</b>		
As at 1 January	60,708	60,708
As at 31 December	<b>60,708</b>	<b>60,708</b>
<b>Accumulated amortisation:</b>		
As at 1 January	(56,774)	(52,562)
Charge for the year	(3,934)	(4,212)
<b>As at 31 December</b>	<b>(60,708)</b>	<b>(56,774)</b>
<b>Net book value</b>		
<b>As at 31 December</b>	<b>-</b>	<b>3,934</b>

Amortization of N3.93 million (2023: N4.21 million) has been charged to administrative expenses.

**BETA GLASS PLC**

**Annual Report and Financial Statements for the year ended 31 December 2024**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**16 Inventories**

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Raw materials	8,590,450	5,747,846
Work in progress	69,349	523,358
Finished goods	6,617,720	5,857,285
Spare parts and consumables	6,361,231	4,695,302
Goods in transit	<u>1,321,734</u>	<u>919,592</u>
	<b><u>22,960,484</u></b>	<b><u>17,743,383</u></b>

In 2024, the write-down of inventories to net realisable value amounted to N1,419.61 million (2023: N484.04 million). The movement is recognised as an expense in the period it occurred and included in cost of sales in profit or loss.

***Inventory write down***

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
As at 1 January	484,040	490,787
Charged to income statement	2,667,414	113,926
Utilized	<u>(1,731,837)</u>	<u>(120,673)</u>
<b>As at 31 December</b>	<b><u>1,419,617</u></b>	<b><u>484,040</u></b>

Analysis of value of inventories charged to profit or loss is as follows:

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Cost of inventories included in cost of sales (Note 8.1)	<u>34,406,570</u>	<u>21,117,324</u>

The amount represents cost of materials consumed less export grants - N1.22 billion (2023: N1.05 billion) and is included in cost of sales per Note 8.1.

BETA GLASS PLC

Annual Report and Financial Statements for the year ended 31 December 2024

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

17 Trade and other receivables

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Trade receivables	21,694,949	9,054,856
EEG receivable (Note 5)	2,784,590	1,563,429
Prepayment – others	4,240,087	1,009,814
Prepayment - short-term lease	112,711	45,347
Withholding tax receivables	657,324	164,278
Other receivables	-	430,841
Staff receivables	191,474	251,409
Other financial asset	188,815	-
Related parties - loan receivables (Note 30.3)	33,637,841	13,368,131
Related parties - other receivables (Note 30.3)	3,161,387	3,090,425
	<b>66,699,178</b>	<b>28,978,530</b>
Allowance for expected credit losses	<u>(1,953,733)</u>	<u>(478,338)</u>
<b>Total</b>	<b><u>64,715,445</u></b>	<b><u>28,500,192</u></b>

Other financial asset represents fixed deposit with more than 90 days maturity.

Prepayment - others include prepaid insurance premium - N837 million (2023: N515 million), suppliers' advances - N1,004 million (2023: N141 million), software license - N75 million (2023: N244 million) and others - N148 million (2023: N108 million).

Trade receivables are non- interest bearing and are generally on payment terms of 30 - 90 days. Staff receivables are advances to staff.

17.1 Reconciliation of related parties loan receivable

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
As at 1 January	13,368,131	6,771,801
Interest income accrued	7,431,660	1,453,507
Receipt from repayment of loan during the year	(4,926,000)	(8,640,880)
Interest received	(1,210,965)	(536,297)
Additional loan advanced during the year	18,975,015	14,320,000
<b>As at 31 December</b>	<b><u>33,637,841</u></b>	<b><u>13,368,131</u></b>

Analysis of Expected Credit Losses - 2024

	Trade Receivable N'000	Staff Receivable N'000	Related Party Receivable N'000	Total N'000
Gross	21,694,949	191,474	36,799,228	58,685,651
ECL	(1,927,295)	(1,053)	(25,385)	(1,953,733)
Net	<b><u>19,767,654</u></b>	<b><u>190,421</u></b>	<b><u>36,773,843</u></b>	<b><u>56,731,918</u></b>

BETA GLASS PLC

Annual Report and Financial Statements for the year ended 31 December 2024

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

17.1 Reconciliation of related parties loan receivable (continued)

Analysis of Expected Credit Losses - 2023

	Trade Receivable N'000	Staff Receivable N'000	Related Party Receivable N'000	Total N'000
Gross	9,054,856	251,409	16,458,556	25,764,821
ECL	(230,971)	(1,053)	(246,314)	(478,338)
Net	<b>8,823,885</b>	<b>250,356</b>	<b>16,212,242</b>	<b>25,286,483</b>

17.2 Movement in the allowance for expected credit losses and bad debt

17.2.1 Trade receivables

	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>N'000</b>	<b>N'000</b>
As at 1 January	230,971	37,873
Additional provision during the year	<u>1,696,324</u>	<u>193,098</u>
As at 31 December	<u><b>1,927,295</b></u>	<u><b>230,971</b></u>

17.2.2 Staff receivables

	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>N'000</b>	<b>N'000</b>
As at 1 January	<u>1,053</u>	<u>1,053</u>
As at 31 December	<u><b>1,053</b></u>	<u><b>1,053</b></u>

17.2.3 Related parties' receivables

	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>N'000</b>	<b>N'000</b>
<b>As at 1 January</b>	246,314	64,904
Reversal of provision during the year	(220,929)	-
Additional provision during the year	<u>-</u>	<u>181,410</u>
<b>As at 31 December</b>	<u><b>25,385</b></u>	<u><b>246,314</b></u>

BETA GLASS PLC

Annual Report and Financial Statements for the year ended 31 December 2024

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

18 Cash and cash equivalents

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Cash in hand	412	474
Cash at bank	10,653,214	14,017,996
Short-term deposit	-	12,791,000
	<u><b>10,653,626</b></u>	<u><b>26,809,470</b></u>
Expected credit loss on short term deposit	<u>(12)</u>	<u>(12)</u>
<b>Cash and cash equivalents</b>	<u><b>10,653,614</b></u>	<u><b>26,809,458</b></u>

*Expected credit loss on short term deposit*

	<b>2024 N'000</b>	<b>2023 N'000</b>
As at 1 January	12	59,230
Reversal during the year	-	(59,218)
As at 31 December	<u><b>12</b></u>	<u><b>12</b></u>

Expected credit loss on cash at bank was assessed but the value was immaterial.

19 Borrowings

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Short term borrowings	<u>26,910,912</u>	<u>24,647,423</u>
	<u><b>26,910,912</b></u>	<u><b>24,647,423</b></u>
	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
<b>Reconciliation of short-term borrowings:</b>		
As at 1 January	24,647,423	9,597,897
Interest expenses accrued	9,781,737	2,010,025
Repayment of borrowings during the year	(16,171,542)	(1,962,877)
Interest paid	(1,182,285)	(2,010,025)
Exchange rate movement	4,801,034	9,297,608
Additional borrowings during the year	<u>5,034,545</u>	<u>7,714,795</u>
<b>As at 31 December</b>	<u><b>26,910,912</b></u>	<u><b>24,647,423</b></u>

Short-term borrowings represent Import Finance Facilities (IFFs) in foreign currencies from one bank for the importation of raw materials and plant and equipment at variable interest rates ranging from 8% to 15.37% (2023: 8% to 15.25%). The borrowings are typically payable within 30 to 90 days (but can be rolled over).

**BETA GLASS PLC**

**Annual Report and Financial Statements for the year ended 31 December 2024**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**20 Property, plant and equipment**

	Land N'000	Building N'000	Plant and Machinery N' 000	Furniture fittings and equipment N' 000	Motor Vehicles N' 000	Furnaces N' 000	Assets under Construction N' 000	Total N' 000
<b>Cost</b>								
<b>At 1 January 2024</b>	168,540	4,002,589	32,572,320	589,619	1,472,247	11,614,044	12,884,339	63,303,698
Additions	-	480,332	5,502,719	82,977	260,271	457,209	951,748	7,735,256
Disposals	-	(10,485)	(4,334,088)	(174,730)	(299,374)	(1,596,805)	-	(6,415,482)
Transfers **	-	602,043	6,437,184	38,109	227,140	3,210,933	(10,515,409)	-
								-
<b>At 31 December 2024</b>	<b>168,540</b>	<b>5,074,479</b>	<b>40,178,135</b>	<b>535,975</b>	<b>1,660,284</b>	<b>13,685,381</b>	<b>3,320,678</b>	<b>64,623,472</b>
<b>Accumulated depreciation and impairment loss:</b>								
<b>At 1 January 2024</b>	-	1,105,259	19,518,245	395,470	1,045,359	7,484,286	-	29,548,619
Charge for the year	-	133,423	3,920,262	79,684	205,675	1,145,849	-	5,484,893
On disposals	-	(10,485)	(4,334,083)	(174,726)	(299,374)	(1,596,805)	-	(6,415,473)
<b>At 31 December 2024</b>	<b>-</b>	<b>1,228,197</b>	<b>19,104,424</b>	<b>300,428</b>	<b>951,660</b>	<b>7,033,330</b>	<b>-</b>	<b>28,618,039</b>
<b>Net book value:</b>								
<b>At 31 December 2024</b>	<b>168,540</b>	<b>3,846,282</b>	<b>21,073,711</b>	<b>235,547</b>	<b>708,624</b>	<b>6,652,051</b>	<b>3,320,678</b>	<b>36,005,433</b>

Assets under construction represent the value of plant and machinery that are currently being constructed or developed. On completion, the assets will be capitalized and subsequently depreciated.

None of the Property, Plant and Equipment are specifically pledged as security or collateral.

The write-off relates to the demolished squash court.

\*\* Transfer represents assets that were capitalized from Asset under Construction during the year.

Depreciation expenses charged as follows:	<b>N' 000</b>
Cost of Sales (Note 8.1)	5,405,208
Administrative expenses (Note 8.2)	<u>79,686</u>
<b>Total</b>	<b><u>5,484,894</u></b>

BETA GLASS PLC

Annual Report and Financial Statements for the year ended 31 December 2024

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

20 Property, plant and equipment (continued)

	Land N'000	Building N'000	Plant and Machinery N' 000	Furniture fittings and equipment N' 000	Motor Vehicles N' 000	Furnaces N' 000	Assets under Construction N' 000	Total N' 000
<b>Cost:</b>								
<b>At 1 January 2023</b>	168,540	3,764,734	29,219,109	504,078	1,228,491	11,473,063	3,594,888	49,952,903
Additions	-	211,021	2,261,708	57,269	215,470	111,977	10,602,030	13,459,475
Disposals	-	-	(98,089)	(8,035)	(2,095)	-	-	(108,219)
Write off	-	(461)	-	-	-	-	-	(461)
Transfers **	-	27,295	1,189,592	36,307	30,381	29,004	(1,312,579)	-
<b>At 31 December 2023</b>	<b>168,540</b>	<b>4,002,589</b>	<b>32,572,320</b>	<b>589,619</b>	<b>1,472,248</b>	<b>11,614,045</b>	<b>12,884,339</b>	<b>63,303,698</b>
<b>Accumulated depreciation and impairment loss:</b>								
<b>At 1 January 2023</b>	-	994,239	16,963,635	336,463	872,341	6,442,020	-	25,608,698
Charge for the year	-	111,481	2,647,023	66,910	175,113	1,042,266	-	4,042,793
On disposals	-	-	(92,413)	(7,903)	(2,095)	-	-	(102,412)
Write off	-	(461)	-	-	-	-	-	(461)
<b>At 31 December 2023</b>	<b>-</b>	<b>1,105,259</b>	<b>19,518,245</b>	<b>395,469</b>	<b>1,045,359</b>	<b>7,484,286</b>	<b>-</b>	<b>29,548,619</b>
<b>Net book value:</b>								
<b>At 31 December 2023</b>	<b>168,540</b>	<b>2,897,330</b>	<b>13,054,075</b>	<b>194,150</b>	<b>426,889</b>	<b>4,129,759</b>	<b>12,884,339</b>	<b>33,755,079</b>

Assets under construction represent the value of the plant and machinery that are currently being constructed or developed. On completion, the assets will be capitalized and subsequently depreciated.

None of the Property, Plant and Equipment are specifically pledged as security or collateral

The write off relates to the demolished squash court.

Depreciation expenses charged as follows:	<b>N' 000</b>
Cost of Sales (Note 8.1)	3,975,883
Administrative expenses (Note 8.2)	66,910
<b>Total</b>	<b>4,042,793</b>

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

**21 Right-of-Use asset****Company as a lessee**

The Company has lease contracts for rented guest houses. Leases of guest houses generally have lease terms between 1 and 2 years.

The Company has certain leases of warehouses and guesthouses with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

	<b>Building</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>₦'000</b>	<b>₦'000</b>
As at 1 January	39,852	51,025
Additions	93,076	153,749
Depreciation charged	(115,707)	(164,922)
<b>As at 31 December</b>	<b>17,221</b>	<b>39,852</b>

There were no lease liabilities as at 31 December 2024 (2023: Nil) as all lease payments are prepaid.

	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>₦'000</b>	<b>₦'000</b>
Depreciation expense of right-of-use assets (Note 8.2)	115,707	164,922
Expense relating to short-term leases (included in Admin. and Selling expenses)	326,695	170,556
<b>Total amount recognised in profit or loss</b>	<b>442,402</b>	<b>335,478</b>

The Company had total cash outflows for leases of N93.07 million in 2024. (2023: 153.75 million).

**22 Deferred tax liabilities**

	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>N'000</b>	<b>N'000</b>
The movement in deferred tax is as follows:		
At 1 January	3,828,471	3,538,605
Changes during the year:		
- charge recognised in tax expense in profit or loss (Note 12)	791,439	289,866
<b>At 31 December</b>	<b>4,619,910</b>	<b>3,828,471</b>
	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>N'000</b>	<b>N'000</b>
Deferred Tax Assets	(1,839,233)	(436,453)
Deferred Tax Liabilities	6,459,143	4,264,924
<b>Net Deferred Tax Liabilities</b>	<b>4,619,910</b>	<b>3,828,471</b>



## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

## 22 Deferred tax liabilities (continued)

Deferred tax relates to the following:

	Statement of Financial Position		Statement of Profit or loss	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	N'000	N'000	N'000	N'000
Accelerated depreciation for deferred tax purpose	(6,459,143)	(4,264,924)	2,194,219	244,776
Cash and Trade receivable - unrealised exchange gain	(4,890,174)	(3,388,001)	1,502,173	3,446,464
Trade and other payable – unrealised exchange loss	5,505,383	3,441,403	(2,063,980)	(3,242,508)
Trade and other receivables - impairment loss	755,551	199,003	(556,548)	(186,845)
Inventory - write down and other provisions	468,473	184,048	(284,425)	27,979
<b>Total</b>	<b>(4,619,910)</b>	<b>(3,828,471)</b>	<b>791,439</b>	<b>289,866</b>

## 23 Trade and other payables

	31 December 2024	31 December 2023
	N'000	N'000
Trade payables	21,100,206	14,448,407
Contract liabilities*	838,355	972,735
Social security and transaction taxes	1,936,585	608,750
Liability arising from financial guarantee (Note 31)	325,893	185,158
Accrued expenses and other payables	2,640,648	5,645,652
Amounts due to related parties (Note 30.2)	5,297,086	1,397,053
	<b>32,138,773</b>	<b>23,257,755</b>

Contract liabilities represent short-term deposits received from customers for the supply of glass bottles.

	31 December 2024	31 December 2023
	N'000	N'000
Movement in contract liabilities:		
Balance as at 1 January	972,735	425,474
Customer down payment during the year	838,355	972,735
Revenue recognised during the year	(972,735)	(425,474)
<b>Balance as at 31 December</b>	<b>838,355</b>	<b>972,735</b>

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

**23 Trade and other payables (continued)**

(i) Social security and transaction taxes includes Value Added Tax, Withholding Taxes, Pay As You Earns taxes and Pension liabilities.

(ii) Accrued expenses and other payables represent energy expenses accrued, accrued transport cost, employee bonus accrued and raw material purchases accrual, etc. as at year end.

All trade payables are due within twelve (12) months.

(iii) Financial liabilities include:

	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>N'000</b>	<b>N'000</b>
Trade payables	21,100,206	14,448,407
Accrued expenses and other payables	2,640,648	5,645,652
Liability arising from financial guarantee (Note 23 (iv))	325,893	185,158
Amounts due to related parties (Note 30.2)	<u>5,297,086</u>	<u>1,397,053</u>
	<b><u>29,363,833</u></b>	<b><u>21,676,270</u></b>

(iv) Set out below is the movement in liability arising from financial guarantee:

	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>N'000</b>	<b>N'000</b>
<b>Liability arising from financial guarantee</b>		
<b>As at 1 January</b>	185,158	-
Provision during the year	<u>140,735</u>	<u>185,158</u>
As at 31 December	<b><u>325,893</u></b>	<b><u>185,158</u></b>

**24 Current income tax**

	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>N'000</b>	<b>N'000</b>
The movement in current income tax is as follows:		
At 1 January	2,930,005	2,432,315
Provision for the year (Note 12)	5,485,104	2,713,237
Payment during the year	(2,445,190)	(2,060,190)
Withholding tax credit utilised	<u>(268,235)</u>	<u>(155,357)</u>
<b>At 31 December</b>	<b><u>5,701,684</u></b>	<b><u>2,930,005</u></b>

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

## 25 Dividend payable

	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>N'000</b>	<b>N'000</b>
At 1 January	183,238	161,983
Dividend declared during the year	839,953	701,961
Dividend paid during the year relating to prior year (Note 25)	(839,953)	(701,961)
Unclaimed dividend returned	5,797	22,649
Statute barred unclaimed dividend transferred to retained earnings	-	(1,394)
<b>At 31 December</b>	<b><u>189,035</u></b>	<b><u>183,238</u></b>
Dividend per share (Naira)	<u>1.40</u>	<u>1.17</u>

Unclaimed dividend returned relates to dividends declared but not claimed for a period of 15 months and above. Unclaimed dividends over 12 years become statute-barred in accordance with section 432 of the Companies and Allied Matters Act (CAMA) 2020 and transferred to retained earnings. The Federal Government of Nigeria (FGN) is yet to issue guidelines on the transfer of unclaimed dividends to Unclaimed Funds Trust Fund in line with the Finance Act 2020.

## 26 Issued Share Capital and Share Premium

## 26.1 Share capital Allotted, called up and fully paid

	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>N'000</b>	<b>N'000</b>
At 1 January	299,983	299,983
599,966,400 ordinary shares of 50k each	<u>299,983</u>	<u>299,983</u>

	<b>31 December 2024</b>		<b>31 December 2023</b>	
	Number of shares	%	Number of shares	%
Frigoglass Industries Nigeria Limited	371,269,358	61.88%	371,269,358	61.88%
Frigoinvest Nigeria Holdings B.V	48,999,757	8.17%	48,999,757	8.17%
Stanbic IBTC Nominees Nigeria Limited	35,668,675	5.95%	37,378,137	6.23%
Delta State Ministry of Finance Incorporated	26,709,740	4.45%	26,709,740	4.45%
Others	<u>117,318,870</u>	<u>19.55%</u>	<u>115,609,408</u>	<u>19.27%</u>
	<b><u>599,966,400</u></b>	<b><u>100%</u></b>	<b><u>599,966,400</u></b>	<b><u>100%</u></b>

**BETA GLASS PLC****Annual Report and Financial Statements for the year ended 31 December 2024****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED****26.2 Share Premium**

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Share premium	<u>312,847</u>	<u>312,847</u>

Share premium arose from share issue at a rate above the nominal value of ordinary shares.

**27 Other reserves**

	<b>N'000</b>
At 31 December 2023	<u>2,429,942</u>
At 31 December 2024	<u>2,429,942</u>

Other reserves represent furnace-rebuild reserves set aside from retained earnings in previous years and the amount is not available for distribution to the equity holders of the Company.

**28 Retained earnings**

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
At 1 January	48,962,234	43,220,578
Dividend declared and paid during the year relating to prior year (Note 25)	(839,953)	(701,961)
Total comprehensive income for the year, net of taxation	13,626,830	6,442,223
Statute barred dividend returned (Note 25)	<u>-</u>	<u>1,394</u>
<b>At 31 December</b>	<b><u>61,749,111</u></b>	<b><u>48,962,234</u></b>

**BETA GLASS PLC**

**Annual Report and Financial Statements for the year ended 31 December 2024**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**29 Cash generated from operating activities**

	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>N'000</b>	<b>N'000</b>
<b>Profit before taxation</b>	<b>19,903,373</b>	<b>9,445,326</b>
<b>Adjustment for:</b>		
Depreciation of property, plant and equipment (Note 20)	5,484,893	4,042,793
Depreciation of Right-of-use asset (Note 21)	115,707	164,922
Amortisation of intangible assets (Note 15)	3,934	4,212
Profit on disposal of property, plant and equipment (Note 9)	(38,755)	(11,232)
Interest income (Note 11.1)	(8,121,424)	(2,083,975)
Interest expense (Note 11.2)	9,781,737	2,010,025
Net unrealised exchange difference-financing (Note 10.1)	5,381,138	478,607
Net unrealised exchange difference-others (Note 10.1)	912,609	(1,018,060)
Allowance for expected credit losses Others (Note 8.4)	1,616,130	559,666
Allowance for expected credit losses - Short-term deposit (Note 8.4)	-	(59,218)
<b>Changes in working capital:</b>		
(Increase)/decrease trade and other receivables (Note 29.1)	(18,742,517)	4,589,723
Increase in inventories	(5,217,101)	(8,126,152)
Increase in trade and other payables	8,881,018	9,307,353
<b>Cash generated from operations</b>	<b><u>19,960,742</u></b>	<b><u>19,303,990</u></b>

29.1 Analysis of Increase in trade and other receivables:

Increase in trade and other receivables as per SFP (Note 17)	(36,215,253)	(2,368,863)
Less: Movement in related party loan receivable during the year (Note 17.1)	20,269,710	6,596,331
Less: Withholding tax utilised	(268,235)	(155,357)
Less: Increase in Trade and other receivable impairment during the year	(1,616,130)	(500,448)
Less: Exchange difference, excluding cash related difference	(912,609)	1,018,060
<b>(Increase)/decrease in trade and other receivables for cash flow purpose</b>	<b><u>(18,742,517)</u></b>	<b><u>4,589,723</u></b>

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

**30 Related parties**

The Company is a member of the Frigoglass Group and is thus related to other subsidiaries of the Company through common shareholdings. Transactions arising from dealings with related parties are as detailed below.

The Company is controlled by Frigoglass Industries (Nigeria) Limited, which holds 61.9% (2023: 61.9%) of the Company's issued ordinary shares. The ultimate holding company is Frigo DebtCo Plc (incorporated in United Kingdom).

The following companies are related parties of Beta Glass Plc:

- Frigo DebtCo Plc - Ultimate parent and ultimate controlling party
- Frigoglass Industries (Nigeria) Limited - Parent company
- Frigoinvest Holdings BV - First Intermediate parent company
- Frigoinvest Nigeria Holdings BV - Intermediate parent company
- Frigoglass Finance B.V. - Subsidiary of Frigoinvest Holding BV
- Frigoglass Global Limited - Subsidiary of Frigoinvest Nigeria Holding BV
- Frigoglass Services Single Member SA - Subsidiary of Frigoinvest Holding BV
- A.G. Leventis Nigeria Limited - Indirect shareholders with significant influence over the parent company of Beta Glass Plc.
- Nigerian Bottling Company Limited - Shareholder with power to participate in the operating and financial decisions of the parent company of Beta Glass Plc.

**30.1 Transactions with related parties**

The following transactions took place between the Company and its related parties during the year:

**(i) Sales of goods and services**

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Sales of goods:		
Nigerian Bottling Company Limited	26,036,546	12,695,972
	<b>26,036,546</b>	<b>12,695,972</b>

Goods are sold based on the price list in force and the credit period ranges from 30 to 75 days. Accordingly, they are at arm's length.

**(ii) Purchases of goods and services**

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
<b>Purchase of services:</b>		
Frigoglass Global Limited	3,791,961	2,028,700
Frigoglass S.A.I.C.	-	41,499
Frigoglass Services Single Member SA	659,095	267,220
A.G. Leventis Nigeria Limited	1,158,830	1,945,498
	<b>5,609,886</b>	<b>4,282,917</b>

The transaction with Frigoglass Global limited was for the supply of technical know-how to Beta Glass Plc. The know-how fee represents 3% of net sales as approved by the National Office for Technology Acquisition and Promotion (NOTAP) certificate number 007753 with maturity profile of three (3) years from 01 January 2022 to 31 December 2024. Also included in the know-how fee for the year is Value Added Tax (VAT) at 7.5% (2023: 7.5%).

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

**30.1 Transactions with related parties (continued)****(ii) Purchases of goods and services (continued)**

The transactions with A.G. Leventis Nigeria Limited were for rent of residential building, supply of haulage services and secretariat services. The provision of secretariat services ceased in March 2024. Purchases of goods and services are at prices comparable to those obtainable from third parties.

Frigoglass S.A.I.C. has novated the contract in the management service agreement and Frigoglass Services Single Members SA has assumed the performance of the service in line with the Novation agreement effective from April 27, 2023. Frigoglass S.A.I.C. is no longer a related party after the Group restructuring of April 27, 2023.

**30.2 Due to related companies**

This represents the balance due to related parties stated below as at year-end:

		<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>Description</b>	<b>N'000</b>	<b>N'000</b>
Frigoinvest Holdings B.V.	Purchase of services	537,953	348,352
Frigoglass Services Single Member SA	Purchase of services	2,140,013	512,354
Frigoglass Global Limited	Purchase of services	2,518,314	472,654
A.G. Leventis Nigeria Limited	Purchase of services	100,806	63,693
		<b><u>5,297,086</u></b>	<b><u>1,397,053</u></b>

**30.3 Due from related companies**

This represents the balance due from related parties stated below as at year-end:

		<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>Description</b>	<b>N'000</b>	<b>N'000</b>
Frigoglass Industries (Nigeria) Limited	Payments made by Beta Glass Plc on behalf of Frigoglass Ind. (Nig.) Limited	-	316,128
Nigerian Bottling Company Limited	Sales of Bottles and purchase of cullet	3,161,387	2,774,297
Frigoglass Industries (Nigeria) Limited	Intercompany loan	33,637,841	13,368,131
		<b><u>36,799,228</u></b>	<b><u>16,458,556</u></b>

The receivables from related parties arise mainly from sale transactions, intercompany treasury balances, and payments made on behalf of other related companies, all with short-term settlement periods, except for the treasury balances due from Frigoglass Industries (Nigeria) Limited. These receivables are unsecured in nature and bear no interest except for the treasury balances, which are subject to an interest rate at arm's length. As of 31 December 2024, impairment provisions total N246.31 million (December 2023: N246.31 million).

The payables to related parties arise mainly on purchases and services from related parties with short term settlement period / or payable on demand. The payables bear no interest.

## NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

**30.4 Key management personnel remuneration**

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.

	<b>31 December 2024 N'000</b>	<b>31 December 2023 N'000</b>
Director emoluments (Note 14 d)	329,258	57,930
Other key management personnel	136,331	138,722
	<b>465,589</b>	<b>196,652</b>

**31 Contingent liabilities****Legal proceedings**

The Company is currently involved in five (5) litigations as at 31 December 2024 (December 2023: five (5) litigations). The claims against the Company from the suits amount to N7.57 billion (31 December 2023: N7.56 billion) as of reporting date. No provision has been made for these claims, as no judgement has been delivered. Based on legal advice, the Company believes that no significant loss will eventuate.

**Guarantee**

In April 2023, the Frigoglass Group successfully completed a recapitalisation transaction (the “Transaction”) that included the issuance of €75 million Senior Secured Notes due 2026 and €150 million (excluding consent fee) Senior Secured Second Lien Notes due 2028 (the “Reinstated Notes”). The Senior Secured Notes and the Reinstated Notes are listed on the Vienna Stock Exchange. In October 2024, the Frigoglass Group also issued €20 million Senior Secured Notes due 2026 (the “New Senior Secured Notes”). The New Senior Secured Notes were issued by utilizing existing debt capacity within the documentation governing the Group’s €75 million Senior Secured Notes and €150 million Reinstated Notes.

The Senior Secured Notes, Reinstated Notes and New Senior Secured Notes are guaranteed on a senior secured basis by Frigoinvest Holdings B.V., Beta Glass Plc, Frigoglass Industries (Nigeria) Limited and certain other subsidiaries of the Frigoglass Group (the “New Notes Guarantors”). The Senior Secured Notes, Reinstated Notes and New Senior Secured Notes are also secured by certain assets of the New Notes Guarantors and share pledges.

As part of the undertakings in connection with the Transaction, on 30 May 2023, a reorganization involving, inter alia, Frigoinvest Holdings B.V., Frigoinvest Nigeria Holdings B.V., Frigoglass Industries (Nigeria) Limited, Beta Glass Plc and Frigoglass Global Limited was implemented for the transfer by Frigoinvest Holdings B.V. of all shares held by it (directly and/or indirectly) in each of Frigoglass Industries (Nigeria) Limited, Beta Glass Plc and Frigoglass Global Limited to Frigoinvest Nigeria Holdings B.V., a newly formed entity in connection with the Transaction (the “Reorganization”).

**32 Commitments**

As of 31 December 2024, the Company had outstanding commitments totalling N9.83 billion in the form of letters of credit (December 2023: N1.02 billion) with a bank, relating to the purchase of raw materials, equipment and spare parts. The Company also had a bond of N1.901 billion (2023: N1.035 billion) for the supply of gas and power with gas suppliers and power generating facility provider.

**33 Events after reporting date**

A dividend in respect of the year ended 31 December 2024 of N2.95 per share, amounting to a total dividend of N1,771,487,899 was proposed at the Board meeting held on March 26, 2025 and subject to approval at the Annual General Meeting.

There were no other events after the reporting date which could have had a material effect on the state of affairs of the Company as at 31 December 2024 and on the profit for the year ended on that date which have not been adequately provided for or recognised.



**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**

**34 Securities trading policy**

In compliance with Rule 17.15 of the Nigerian Stock Exchange Amended Rules, the Company has a Securities Trading Policy in place which serves to guide its Directors, Management, Officers and related persons in dealing with its shares. All concerned are obliged to observe the provisions of the Regulations when dealing in the Company's shares and securities. The Company is not aware of any infringement of the policy during the period.

**35 Compliance with regulatory bodies**

Financial Reporting Council of Nigeria (FRCN) reviewed the Company's Financial Statements for the year ended 31 December 2022 and raised a demand for N15 million for aspect relating to International Financial Reporting Standards (IFRS). Based on the letter of appeal sent by management to the FRCN, it is assessed that outflow of economic benefit is currently not highly probable. There was no penalty paid for non-compliance matters with respect to regulatory bodies for the year ended 31 December 2024 (31 December 2023: Nil).

**36 Prior year comparatives**

Certain prior year comparative figures have been reclassified to align with the current year's presentation format. Specifically, the intercompany loan granted by the Company to Frigoglass Industries (Nigeria) Ltd has been reclassified as Investing Cash Flows in accordance with IAS 7 regarding cash flow classification.

## **Other National Disclosures**

**BETA GLASS PLC**

**Annual Report and Financial Statements for the year ended 31 December 2024**

**VALUE ADDED STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>31 December 2024 N'000</b>	<b>%</b>	<b>31 December 2023 N'000</b>	<b>%</b>
Revenue	117,580,184		62,905,451	
Finance income	8,121,424		2,083,975	
Other income	1,162,402		(262,771)	
Foreign exchange (loss)	<u>(1,742,362)</u>		<u>1,793,567</u>	
	125,121,649		66,520,223	
Bought in materials and services				
- Imported	(8,419,165)		(8,579,028)	
- Local	<u>(75,393,644)</u>		<u>(37,316,405)</u>	
	<b><u>41,308,840</u></b>	<b>100</b>	<b><u>20,624,790</u></b>	<b>100</b>
<b>Applied as follows:</b>		%		%
<b>To pay employees:</b>				
- Wages, salaries and other benefits	5,769,573	14	4,849,848	24
<b>To pay providers of capital:</b>				
- Finance cost	10,031,360	24	2,117,688	s
<b>To pay government:</b>				
- Income tax expense	5,485,104	13	2,713,237	13
<b>To provide for enhancement of assets and growth:</b>				
- Depreciation of plant, property and equipment	5,484,893	13	4,042,793	20
- Depreciation of right-of-use asset	115,707	0	164,922	1
- Amortisation of intangible assets	3,934	0	4,212	0
- Deferred tax charged for the year	791,439	2	289,866	1
- Profit retained for the year	<u>13,626,830</u>	<u>33</u>	<u>6,442,223</u>	<u>31</u>
	<b><u>41,308,840</u></b>	<b>100</b>	<b><u>20,624,790</u></b>	<b>100</b>

The value added represents the wealth created through the use of the Company's assets by its own and its employees' efforts. This statement shows the allocation of wealth amongst employees, capital providers, government and that retained for future creation of wealth.

**Note: Value-added statement is not a required disclosure under IFRS.**

**BETA GLASS PLC**

**Annual Report and Financial Statements for the year ended 31 December 2024**

**FIVE YEAR FINANCIAL SUMMARY**

	<b>31 December 2024</b>	<b>31 December 2023</b>	<b>31 December 2022</b>	<b>31 December 2021</b>	<b>31 December 2020</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Assets employed</b>					
Non-current assets	36,022,654	33,798,865	24,403,376	22,571,020	22,164,305
Current assets	98,329,543	73,053,033	57,672,313	40,541,390	31,799,329
Non-current liabilities	(4,619,910)	(3,828,471)	(3,538,605)	(3,584,963)	(1,961,617)
Current liabilities	(64,940,404)	(51,018,421)	(26,934,492)	(17,400,029)	(14,812,299)
<b>Net assets</b>	<b>64,791,883</b>	<b>52,005,006</b>	<b>51,602,592</b>	<b>42,127,418</b>	<b>37,189,718</b>

**Capital employed**

Issued share capital	299,983	299,983	299,983	249,986	249,986
Share Premium	312,847	312,847	312,847	312,847	312,847
Other reserves	2,429,942	2,429,942	2,429,942	2,429,942	2,429,942
Retained earnings	61,749,111	48,962,234	43,220,578	39,134,643	34,196,943
<b>Total equity</b>	<b>64,791,883</b>	<b>52,005,006</b>	<b>46,263,350</b>	<b>42,127,418</b>	<b>37,189,718</b>

	<b>31 December 2024</b>	<b>31 December 2023</b>	<b>31 December 2022</b>	<b>31 December 2021</b>	<b>31 December 2020</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Revenue	117,580,184	62,905,451	54,340,363	36,982,815	25,637,010
Profit before taxation	19,903,373	9,445,326	6,991,177	7,438,909	5,114,594
Income tax expense	(6,276,543)	(3,003,103)	(2,305,763)	(1,981,238)	(1,647,924)
Profit for the year	13,626,830	6,442,223	4,685,414	5,457,671	3,466,670
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income</b>	<b>13,626,830</b>	<b>6,442,223</b>	<b>4,685,414</b>	<b>5,457,671</b>	<b>3,466,670</b>

**Per share data**

Earnings per share (Naira)	22.71	10.74	7.81	10.92	6.93
Net asset per share (Naira)	107.99	86.68	86.01	84.26	74.38

Earnings per share (EPS) is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding at the end of the reporting period.

Net assets per share is calculated by dividing net assets of the Company by the weighted average number of ordinary shares outstanding at the end of the reporting period.

**Note: Five-year financial summary is not a required disclosure under IFRS.**