HEAD OFFICE
Iddo House, Iddo, P.O.Box 159,
Lagos, Nigeria
Tel: 234-01-7740844
234-01-2806714

DELTA PLANT
KM 17, Warri – Patani Road,
P.M.B. 48, Ughelli, Delta State, Nigeria
Tel: 234-8070990069
234-8070990284

GUINEA PLANT
KM 32, Lagos Badagry Express Road,
Agbara Industrial Estate, Ogun State
P.O.Box 2515, Lagos, Nigeria.
Tel: 234-01-7733138

BETA GLASS PLC

(RC: 13215)

Unaudited Interim Financial Statements

For the Six Months Period Ended 30 June 2024

BETA GLASS PLC

Unaudited Interim Financial Statements
For the Six Months Period Ended 30 June 2024

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BETA GLASS PLC

Unaudited Interim Financial Statement for the Six Months Period Ended 30 June 2024
Certification of Unaudited Interim Financial Statements

We hereby certify that:

a) We the undersigned have reviewed the Interim financial statements of Beta Glass Plc (“the Company) for the three months period ended 30 June 2024.

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

i. 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 quarterly report 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 those entities 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 their internal controls based on their 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 to 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 their evaluation, including any corrective actions with regard to significant deficiencies and material weakness.

D P Bennett-Voci

Mr. Darren Bennett-Voci
Managing Director
29th July 2024
FRC/2016/PRO/DIR/003/00000015783

Mr. Dhanikonda Shanker
Chief Financial Officer
29th July 2024
FRC/2013/PRO/ANAN/001/00000002336

BETA GLASS PLC

Unaudited Interim Financial Statement for the Six Months Period Ended 30 June 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS PERIOD ENDED 30 June 2024

		For the period ended			
		3 months April-June 2024	6 months 30 June 2024	3 months April-June 2023	6 months 30 June 2023
	Notes	N'000	N'000	N'000	N'000
Revenue from contract with customers	6	23,575,294	47,884,587	14,857,992	29,841,708
Cost of sales	7.1	(17,185,241)	(37,957,536)	(11,318,153)	(22,710,712)
Gross profit		**6,390,053**	**9,927,051**	**3,539,839**	**7,130,996**
Selling and distribution expenses	7.3	(81,018)	(175,426)	(96,780)	(173,704)
Administrative expenses	7.2	(1,274,992)	(2,187,316)	(810,167)	(1,621,987)
Other income / (Loss)	8	(98,147)	(469,223)	(398,298)	(383,057)
Operating profit		**4,935,896**	**7,095,086**	**2,234,594**	**4,952,248**
Foreign exchange Gain / (loss)	9	(728,498)	(750,479)	705,595	613,521
Finance income	10.1	2,093,317	3,684,270	611,241	1,033,627
Finance cost	10.2	(2,048,737)	(3,716,694)	(326,586)	(575,696)
Profit before taxation for the period		**4,251,978**	**6,312,183**	**3,224,844**	**6,023,700**
Income tax expense	11	(1,382,262)	(2,003,058)	(1,065,656)	(1,972,810)
Profit after tax for the period		**2,869,716**	**4,309,125**	**2,159,188**	**4,050,890**
Other comprehensive income					
Other comprehensive income for the year-net of tax		-	-	-	-
Total comprehensive income for the period		**2,869,716**	**4,309,125**	**2,159,188**	**4,050,890**
Earnings per share (EPS)					
Basic and diluted EPS (Naira)	12	4.78	7.18	3.60	6.75

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

BETA GLASS PLC

Unaudited Interim Financial Statement for the Six Months Period Ended 30 June 2024

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Notes	30 June 2024 N'000	31 December 2023 N'000
Assets			
Non-current assets			
Property, plant and equipment	19	37,613,603	33,755,079
Right-of-use assets	20	65,648	39,852
Intangible assets	14	1,879	3,934
		37,681,130	33,798,865
Current assets			
Inventories	15	19,001,336	17,743,383
Trade and other receivables	16	53,204,400	28,500,192
Cash in hand and at bank	17	18,584,030	26,809,458
		90,789,766	73,053,033
Total assets		128,470,896	106,851,898
Liabilities			
Non-current liabilities			
Deferred tax liabilities	21	3,828,471	3,828,471
		3,828,471	3,828,471
Current liabilities			
Borrowings	18	36,253,550	24,647,423
Trade and other payables	22	30,426,195	23,257,755
Current income tax	23	2,319,381	2,930,005
Dividend payable	24	169,121	183,238
		69,168,247	51,018,421
Total liabilities		72,996,718	54,846,892
Equity			
Issued share capital	25	299,983	299,983
Share premium	25	312,847	312,847
Other reserves	26	2,429,942	2,429,942
Retained earnings	27	52,431,406	48,962,234
Total equity		55,474,178	52,005,006
Total equity and liabilities		128,470,896	106,851,898

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

The Unaudited Interim financial statements were approved and authorised for issue by the Board of Directors on 29th July 2024 and were signed on its behalf by:

D P Bennett-Voci

Mr. Darren Bennett-Voci	Mr. Shanker Dhanikonda
Managing Director	Chief Financial Officer
FRC/2016/PRO/DIR/003/00000015783	FRC/2013/PRO/ANAN/001/00000002336

BETA GLASS PLC

Unaudited Interim Financial Statement for the Six Months Period Ended 30 June 2024

STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

	Issued Share capital N'000	Share premium N'000	Other reserves N'000	Retained earnings N'000	Total N'000
At 1 January 2024	**299,983**	**312,847**	**2,429,942**	**48,962,234**	**52,005,006**
Profit for the year	-	-	-	4,309,125	4,309,125
Other comprehensive income for the year - net of tax	-	-	-	-	-
Total comprehensive income for the year - net of tax	-	-	-	4,309,125	4,309,124
Transaction with owners:					
Dividend declared (Note 24)	-	-	-	(839,953)	(839,953)
Bonus Issue from retained earnings					-
Statute barred dividend returned (Note 24)	-	-	-	-	-
Total transaction with owners	-	-	-	(839,953)	(839,953)
At 30 June 2024	**299,983**	**312,847**	**2,429,942**	**52,431,406**	**55,474,178**
At 1 January 2023	**299,983**	**312,847**	**2,429,942**	**43,220,578**	**46,263,350**
Profit for the year	-	-	-	4,050,890	4,050,890
Other comprehensive income for the year - net of tax	-	-	-	-	-
Total comprehensive income for the year - net of tax	-	-	-	4,050,890	4,050,890
Transaction with owners:					
Dividend paid (Note 24)	-	-	-	-	-
Statute barred dividend returned (Note 24)	-	-	-	-	-
Total transaction with owners	-	-	-	-	-
At 30 June 2023	**299,983**	**312,847**	**2,429,942**	**47,271,468**	**50,314,240**

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

BETA GLASS PLC

Unaudited Interim Financial Statement for the Six Months Period Ended 30 June 2024

STATEMENT OF CASHFLOWS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

	Notes	30 June 2024 N'000	30 June 2023 N'000
Cash flows from operating activities			
Cash (used in) /generated from operations	28	(10,327,530)	1,395,620
Tax paid	23	(2,445,190)	(2,060,190)
Net cash flows used in operating activities		**(12,772,720)**	**(664,570)**
Cash flows from investing activities			
Acquisition of property, plant and equipment	19	(6,272,985)	(1,095,997)
Acquisition of right-of-use asset	20	(87,410)	(149,304)
Proceeds from disposal of property, plant and equipment		66,448	5,300
Interest received	10.1	3,684,270	1,033,627
Net cash flow used in investing activities		**(2,609,677)**	**(206,374)**
Cash flows from financing activities			
Proceeds from short term borrowings	18	3,305,528	3,598,849
Repayment of short term borrowings	18	(8,695,976)	(205,685)
Interest paid	18	(55,052)	(575,696)
Dividend paid	24	(839,953)	-
Unclaimed dividend returned	24	(14,117)	-
Net cash flow (used in) / generated from financing activities		**(6,299,570)**	**2,817,468**
Net (decrease)/ increase in cash and cash equivalents		(21,681,967)	1,946,524
Effect of exchange rate changes on cash and cash equivalents		13,456,539	5,486,581
Cash and cash equivalents at 1 January		26,809,458	15,792,616
Cash and cash equivalents at 30 June		**18,584,030**	**23,225,721**

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

Notes to the Unaudited Interim 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, foods 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, Ivory Coast, Sierra Leone and Liberia.

The company is a public limited company, which is listed on the Nigerian Exchange and incorporated and domiciled in Nigeria. The address of its registered office is Iddo House, Iddo, Lagos State, Nigeria. P.O. Box 159.

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 United Kingdom). All press releases, annual reports and other information are available at website of Beta Glass Plc: ***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 International Financial Reporting Standards (IFRSs), including International Accounting Standards (IAS) issued by International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and in accordance with requirements of Financial Reporting Council of Nigeria (Amendment) Act 2023 and provisions of Companies and Allied Matters Act (CAMA), 2020. These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise required in a complete set of financial statements and should be read in conjuction with 2023 annual report. 2023 annual report and audited financial statements can be accessed via this link: https://www.betaglass.com/investor-relations/financials/

Differences that may exist between the figures of the financial statements and those of the notes are due to rounding. Wherever it was necessary, the comparative figures have been reclassified in order to be comparable with the current year’s presentation.

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 requires the use of certain critical accounting estimates. It also requires 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. Directors believes 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 4.

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 Unaudited interim financial statements.

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

Notes to the unaudited interim financial statements - continued

2.1 Basis of preparation - continued

2.1.1 Going concern

The company's management has made an assessment of 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 is continue to be prepared on the going concern basis.

2.1.2 Changes in accounting policies and disclosures

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

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to 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 Company is currently assessing the impact of the amendments to determine the impact they will have on the Company's accounting policy disclosures.

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

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to 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, a requirement has been introduced to require disclosure 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 Company is currently assessing the impact of the amendments to determine the impact they will have on the Company's accounting policy disclosures.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such 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 Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

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.

2.2 Segment reporting

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 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 the 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 gain and losses are presented in the statement of profit or loss as foreign exchanges 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.

2.4 Property, plant and equipment - continued

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost 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.

Land and other 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:

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

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 recognised 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 on 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 and other comprehensive income when the asset is derecognised.

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 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 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.

2.4.1 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 recognises 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 recognised, 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 2.6 - 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 accomodate 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 on a straight-line basis over the lease term.

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.

2.5 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.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

2.6 Impairment of non-financial assets

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

2.7. 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.

2.7.1 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, amortised cost, fair value through other comprehensive income (OCI), and fair value through 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 amortised 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.

2.7.2 Subsequent measurement

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

a. Financial assets at amortised cost (debt instruments)
b. Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
c. Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
d. Financial assets at fair value through profit or loss

The Company's financial assets includes financial assets at amortised cost.

2.7.3 Financial assets at amortised cost (debt instruments)

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

a. The financial asset is held within a business model with the objective to hold 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 amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes trade receivables, staff advances and receivables from related parties amd cash and bank balances

The Company did not own any financial assets that can be classified as fair value through profit and loss or held for trading financial assets during the periods presented in these financial statements.

2.7.4 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (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 (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) 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 recognises 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.

2.7.5 Impairment of financial assets

The Company recognises 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. 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).

2.7.5 Impairment of financial assets - continued

ECLs are recognised 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).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises 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 a 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.

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 realisation 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, 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

2.7.6 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 profit or loss.

2.8 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 the amount required to be paid, less, when material, a discount to reduce the payables to fair value. Subsequently, trade payables are measured at amortized cost using the effective interest method.

2.8 Financial liabilities - continued

Recognition and measurement - continued

Loan 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. Beta Glass has given financial guarantees to Note holders on behalf of Frigo Debt Co Plc as disclosed in Note 30.
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 recognised in accordance with the principles of IFRS 15. The loss allowance is recognised as a provision.

2.8.1 *Derecognition*

A financial liability is derecognised 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 recognised in the profit or loss.

2.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise 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.

2.10 Inventories

Inventories are recorded at the lower of cost and net realisable value. The cost of inventory includes expenditure incurred in acquiring the inventory, production or conversion costs and other costs incurred in bringing them to their existing location and condition. 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 weighted average cost of raw and packaging materials, direct labour, 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 is based on purchase cost 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.

2.11 Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. A provision for impairment for trade receivables is established when there is objective evidence that the Company will not be able to collect all the amounts due according to the original terms of the receivables. 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 recognises a loss allowance based on lifetime ECLs at each reporting date.

Subsequent recoveries of amounts previously written off are credited against administrative expenses in profit or loss.

2.12 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.

2.13 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 recognised in profit or loss in the period in which they are incurred.

No borrowing costs were capitalised as at reporting date (2023: Nil) as the company had no qualifying assets.

2.14.1 Current income tax

The tax for the period comprises current, education and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is recognised 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 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. Company Income Tax (CIT) rate is 30%
Education Tax (Tertiary Education Tax -TET) is 3% of assesssable profit calculated for the purpose of Company Income Tax (CIT)

2.14.2 Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised 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.

2.14.2 Deferred tax (continued)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. 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.

2.15 Employee benefit obligation

The company operates a defined contribution pension plans for its employees.

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.

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 contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.16 Export expansion grant

Export expansion grants (EEG) from the government are recognized at fair value when there is a reasonable assurance that the grant will be received and the Company has complied with all attached conditions.

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 transaction must have the proceeds fully repatriated within 300 days, calculated from the date of export and as approved by the EEG Implementation Committee.

2.17 *Revenue recognition from Contract with customers*

The company is in the business of manufacturing and sales of glassware and glass bottles for soft drink, breweries, Pharmaceutical, cosmetic companies among others.

Revenue from contracts with customers is recognised 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 fair value of the consideration received or receivable and represents amounts received or receivable for goods supplied stated net of discounts, returns and value added taxes. Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has identified a sales contract with a customer;
- the performance obligations within this contract has been identified
- the transactions price has been determined;
- this transaction price has been allocated to the performance obligations in the contract; and
- revenue is recognised as or when each performance obligation is satisfied

The sale of bottles is based on Ex-works prices agreed with the customers. Haulage services are provided to the customers through third party service providers as an option. The sale of bottles and haulage services for delivery of bottles are distinct and have no bearing on each other, and are negotiated separately. Further, the consideration to be paid in one contract does not depend on the price or performance of 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, control related to the products has 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, 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 constitutes 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 recognised 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 recognised when order by the customer is delivered to the customers with the evidence of the delivery note acknowledged/signed by the customers.

2.17 ***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 customer in respect of sales of glass bottles.

Contract balances:

Contract assets: No contract asset 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 recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

2.18 Provisions

A provision is recognised 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 recognised as finance cost.

2.19 Dividend distribution

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

3.0 Financial instruments risk management

The Company’s business activities expose it 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 programme is to minimise 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 set 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.

Risk management is the responsibility of the Treasury Manager, which aims to effectively manage the financial risk of Beta Glass Plc, 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 and trade and other payables, borrowings, cash in hand and at bank.

3.0 Financial instruments risk management - continued

Risk	Exposure arising from	Measurement	Management
Market Risk- Foreign exchange	Future commercial transactions, Recognised financial assets and liabilities not denominated in Naira units	Cash flow forecasting Sensitivity analysis	Contractual agreements on exchange rates.
Market risk – interest rate	Borrowings at variable rates	Sensitivity analysis	Interest rate negotiations
Credit risk	Cash and cash equivalents, trade receivables, and held-to-maturity investments	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 (a) Market risk

Market risk is the risk that the fair value or future cashflows 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 recognised 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 however, 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.

3.0 Financial instruments risk management - continued

3.1 (a) Market risk - continued

(i) Foreign exchange risk - continued

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

	30 June 2024 Euro'000	30 June 2024 USD'000	31 December 2023 Euro'000	31 December 2023 USD'000
Financial assets				
Cash in hand and at bank	7,260	4,730	1,961	23,357
Trade receivables	-	2,504	-	2,200
	7,260	7,234	1,961	25,557
Financial liabilities				
Borrowings	6,607	17,578	4,828	21,702
Trade payables	1,696	628	2,756	946
Related parties payable	844	-	950	-
	9,147	18,206	8,534	22,648
Net amount	**(1,888)**	**(10,972)**	**(6,573)**	**2,909**

Effects in Naira on the Company's result:

	30 June 2024 N'000	30 June 2024 N'000	31 December 2023 N'000	31 December 2023 N'000
	Effect on profit before tax	Effect on profit before tax	Effect on profit before tax	Effect on profit before tax
	Euro	USD	Euro	USD
15 percent strengthening of the Naira to Euro /USD	445,752	2,420,422	980,477	(392,675)
15 percent weakning of the Naira to Euro / USD	(445,752)	(2,420,422)	(980,477)	392,675

	30 June 2024 Euro	30 June 2024 USD	31 December 2023 Euro	31 December 2023 USD
Reporting date spot rate of 1 Euro or 1USD to Naira	1574.37	1470.69	994.38	899.89

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 cashflows 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 30th June 2024 (36.25 billion) and 31st December 2023 (24.65 billion) which have variable interest rate.

3.0 Financial instruments risk management - continued

3.1 Market Risk (Continued)

(iii) Interest rate risk - continued

Interest rate sensitivity	Increase/decrease in interest rate %	Effect on profit before tax
2024		**N'000**
US Dollar	+2	-45,347
Euro	+2	-24
US Dollar	-2	45,347
Euro	-2	24
2023		
US Dollar	+2	3,227
Euro	+2	-8
US Dollar	-2	(3,227)
Euro	-2	8

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 credit worthiness 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, Beta Glass Plc 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 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.

30 June 2024

Financial assets:	**Neither past due nor impaired**	**Up to 90 days**	**91 - 150 days**	**Over 150 days**	**Total**
	N'000	**N'000**	**N'000**	**N'000**	**N'000**
Cash in hand and at bank (Note 17)	18,584,030	-	-	-	18,584,030
Trade receivables (Note 16)	7,202,092	2,780,911	24,215	1,469,213	11,476,431
Receivables from related parties (Note 16)	36,701,725	274,383	4,719	-	36,980,827
Staff advances (Note 16)	122,709	-	-	-	122,709
	62,610,556	**3,055,294**	**28,934**	**1,469,213**	**67,163,997**

3.0 Financial instruments risk management - continued

3.2 Credit risk - continued

31 December 2023

Financial assets:	Neither past due nor impaired N'000	Up to 90 days N'000	91 - 150 days N'000	Over 150 days N'000	Total N'000
Cash in hand and at bank (Note 17)	26,808,984	-	-	-	26,808,984
Trade receivables (Note 16)	5,702,135	1,851,258	34,253	1,467,210	9,054,856
Receivables from related parties (Note 16)	16,449,526	9,030	-	-	16,458,556
Staff advances (Note 16)	251,409	-	-	-	251,409
	49,212,054	**1,860,288**	**34,253**	**1,467,210**	**52,573,805**

Receivables from related parties and Staff advances are from counterparties with no risk of default.

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 multi-nationals while credit is granted on the strength of their credibility and past performance.

3.0 Financial instruments risk management - continued

3.3 Impairment of trade and related party receivables

The company has trade receivable from sales of inventory and provision of haulages services, related party receivable and staff advances that are subject to 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 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 and contract assets.

Expected credit loss measurement - other financial assets

The Company applied the general approach in computing expected credit losses (ECL) for intercompany receivables. The Company recognises 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 recognised 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).

3.0 Financial instruments risk management - continued

3.3 Impairment of trade and related party receivables - continued

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.

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 meet operational needs at all times so that the Company does not breach borrowing limit. The Company manages liquidity risk by effective working capital and cash flow management.

Beta Glass Plc invests its surplus cash in interest bearing current accounts. At the reporting date the Company had N11.05 billion including Unclaimed dividend fund (December 2023: 3.07 billion) in interest
The table below summarised the maturity profile of the Company’s financial liabilities based on contractual undiscounted cash flows.

	Less than 3 months	3 months to 12 months	Total
At 30 June 2024			
	N'000	**N'000**	**N'000**
Financial liabilities:			
Trade payables	17,201,755	-	17,201,755
Liability arising from financial guarantee (Note 30)	-	185,158	185,158
Amounts due to related parties (Note 29d)	3,408,780	-	3,408,780
Borrowings	36,253,550	-	36,253,550
	56,864,085	**185,158**	**57,049,243**

3.0 Financial instruments risk management -continued

3.4 Liquidity risk - continued

At 31 December 2023	Less than 3 months	3 months to 12 months	Total
	N'000	N'000	N'000
Financial liabilities:			
Trade payables	14,448,407	-	14,448,407
Liability arising from financial guarantee (Note 30)	-	185,158	185,158
Amounts due to related parties (Note 29d)	1,397,053	-	1,397,053
Borrowings	24,647,423	-	24,647,423
	40,492,884	**185,158**	**40,678,042**

3.5 Capital risk management

The objective in 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:	30 June 2024	31 December 2023
	N'000	N'000
Borrowings	36,253,550	24,647,423
Trade and other payables	30,426,195	23,257,755
Less: Cash in hand and at bank	(18,584,030)	(26,809,458)
Net Debt	**48,095,715**	**21,095,720**
Total equity	55,474,178	52,005,006
Gearing ratio	**0.866:1**	**0.406:1**

3.6 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.

4 Critical accounting estimates and judgements

Critical accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires directors to use judgment in applying its 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 channels to the country within 300 days of such export sales.

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 30 June 2024, EEG receivable stood at N1.96 billion (31 December 2023: N1.56 billion) as disclosed in Note 16.

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

4 Critical accounting estimates and judgements (continued)

Deferred tax

Deferred tax is the tax expected to be payable on differences between the carrying amounts of assets / 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 recognised for all taxable temporary differences. Such liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other liabilities in a transaction that affects neither the tax profit nor the accounting profit. Management has calculated the deferred tax liability and deferred tax asset based on estimated amounts of underlying transactions. Actual amounts may differ from estimated balances.

5 Segment information

IFRS 8 'Operating segments 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:

	30 June 2024 N'000	%	30 June 2023 N'000	%
Customer 1	12,870,240	27%	5,938,551	20%
Customer 2	6,830,049	14%	5,237,227	18%
Customer 3	7,984,359	17%	4,231,073	14%
Customer 4	2,893,074	6%	4,155,645	14%

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

	30 June 2024 N'000	30 June 2023 N'000
Local sales	40,367,304	28,426,309
Export sales	7,517,282	1,415,400
Total revenue	**47,884,586**	**29,841,709**

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

	30 June 2024 N'000	30 June 2023 N'000
Operating profit	7,095,086	4,952,248

6 Revenue from contracts with customers

Disagregated revenue information

	April-June 2024	30 June 2024	April-June 2023	30 June 2023
Type of goods:	**N'000**	**N'000**	**N'000**	**N'000**
Sales of glassware and bottles	**23,575,294**	**47,884,587**	**14,857,992**	**29,841,708**
Geographical markets:				
Local	22,053,600	40,367,305	13,954,775	28,426,308
Export	1,521,694	7,517,282	903,217	1,415,400
	23,575,294	**47,884,587**	**14,857,992**	**29,841,708**

Revenue from the sale of bottles are recognised at a point in time, generally upon delivery of the bottles.

Included in sales of glassware and bottles are sales to related party of N12.87 billion (June 2023: N5.24billion). See Note 29 for further details.

7 Expenses by function

7.1 *Cost of sales*

	April-June 2024	30 June 2024	April-June 2023	30 June 2023
	N'000	**N'000**	**N'000**	**N'000**
Material consumed	4,941,746	14,522,803	4,782,743	9,796,466
Depreciation (Note 19)	1,256,444	2,379,633	959,798	1,968,283
Technical assistance fees (Note 29)	779,433	1,540,204	479,170	962,395
Factory salaries and wages (Note 7.4)	921,976	1,871,653	782,833	1,601,363
Pension costs - defined contribution plans (Note 13c)	54,611	106,813	59,398	104,338
Other personnel cost	416,937	748,212	276,443	523,918
Fuel, gas and electricity	7,218,218	13,852,175	2,924,020	5,812,236
Other factory overheads	1,595,876	2,936,043	1,053,748	1,941,713
	17,185,241	**37,957,536**	**11,318,153**	**22,710,712**

The Material consumed represents Direct material consumed net off export incentive and increase or decrease in finished good cost

Other factory overheads represents repair and maintenance of plant and machinery, building and motor vehicle, insurance premium and other factory overheads

7.2 *Administrative expenses*

	April-June 2024	30 June 2024	April-June 2023	30 June 2023
	N'000	**N'000**	**N'000**	**N'000**
Depreciation (Note 19)	20,911	37,878	13,661	26,968
Amortisation charges (Note 14)	1,028	2,055	1,053	2,157
Depreciation charges - Right-of- use asset (Note 20)	18,845	61,614	42,832	82,564
Auditors remuneration	13,579	27,159	10,863	21,727
Legal professional fees	5,050	7,300	1,871	6,048
Other Professional and regulatory fees	28,332	52,338	89,793	124,800
Salaries and wages (Note 7.4)	300,206	589,110	233,637	476,231
Pension costs - defined contribution plans (Note 13c)	18,107	35,001	18,197	32,631
Other personnel cost	79,647	147,259	73,892	144,614
Directors' remuneration (Note 13d)	67,555	68,805	4,251	7,506
Management service charge -Note 29)	-	-	-	41,499
Travel and transportation	105,579	161,471	68,376	143,201
Other administrative expenses	616,153	997,326	251,741	512,041
	1,274,992	**2,187,316**	**810,167**	**1,621,987**

Other administrative expenses includes Information Technology expenses, Subscriptions, Printing and stationery and other expenses

7 Expenses by function - continued

7.3 *Selling and distribution expense*

	April-June 2024	30 June 2024	April-June 2023	30 June 2023
	N'000	**N'000**	**N'000**	**N'000**
Salaries and wages (Note 7.4)	19,350	47,611	26,413	49,478
Other distribution expense	61,668	127,815	70,367	124,226
	81,018	**175,426**	**96,780**	**173,704**
Total cost of sales, administrative expenses and distribution co:	**18,541,251**	**40,320,278**	**12,225,100**	**24,506,403**

7.4 Expenses by Nature- Salary and wages

	April-June 2024	30 June 2024	April-June 2023	30 June 2023
	N'000	**N'000**	**N'000**	**N'000**
Wages and salaries included in:				
Cost of sales (Note 7.1)	921,976	1,871,653	782,833	1,601,363
Administrative expenses (Note 7.2)	300,206	589,110	233,637	476,231
Selling and distribution expense (Note 7.3)	19,350	47,611	26,413	49,478
	1,241,532	**2,508,374**	**1,042,883**	**2,127,072**

8 Other income / (Loss)

	April-June 2024	30 June 2024	April-June 2023	30 June 2023
	N'000	**N'000**	**N'000**	**N'000**
Profit on disposal of property, plant and equipment	24,291	25,542	5,000	5,300
Loss on transport and others **	(155,355)	(547,733)	(419,387)	(411,691)
Proceed from sale of scraps	32,917	52,968	16,089	23,334
	(98,147)	**(469,223)**	**(398,298)**	**(383,057)**

** This represents mainly deficit on transport charges not recovered from customers

9 Foreign exchange gain

	April-June 2024	30 June 2024	April-June 2023	30 June 2023
	N'000	**N'000**	**N'000**	**N'000**
Foreign exchange gain/(loss)	**(728,498)**	**(750,479)**	**705,595**	**613,521**

10 Finance income and cost

	April-June 2024	30 June 2024	April-June 2023	30 June 2023
	N'000	**N'000**	**N'000**	**N'000**
10.1 Finance income				
Interest income	2,093,317	3,684,270	611,241	1,033,627
10.2 Finance cost				
Interest expense	(2,048,737)	(3,716,694)	(326,586)	(575,696)

Interest are recognised using effective interest rate method (amortised cost).

11 Income tax expense

	April-June 2024	30 June 2024	April-June 2023	30 June 2023
	N'000	N'000	N'000	N'000
Income tax	1,322,721	1,893,655	970,598	1,821,055
Education tax	59,541	109,403	95,058	151,755
	1,382,262	**2,003,058**	**1,065,656**	**1,972,810**
Tax expense	**1,382,262**	**2,003,058**	**1,065,656**	**1,972,810**

The current tax charge has been computed at the applicable rate of 30% (March 2023: 30%) plus education tax of 3% (March 2023:2.5%) 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 include income such as export profits and gain on disposal of assets which are not taxable.

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:

11.1 Effective tax reconciliation

	April-June 2024	30 June 2024	April-June 2023	30 June 2023
	N'000	N'000	N'000	N'000
Profit before tax	4,251,978	6,312,183	3,224,844	6,023,700
Tax at the Nigeria Corporation Tax rate of 30% (2023 :30%)	1,275,593	1,893,655	967,453	1,807,110
Tax effects of:				
Non chargeable income	47,128		3,145	13,945
Non deductible expenses	-		-	-
Effect of education tax	59,541	109,403	95,058	151,755
Effect of tax incentive	-		-	-
Tax charge for the year	**1,382,262**	**2,003,058**	**1,065,656**	**1,972,810**

12 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.

	April-June 2024	30 June 2024	April-June 2023	30 June 2023
Profit attributable to shareholders of the Company (N' 000)	2,869,716	4,309,125	2,159,188	4,050,890
Weighted average number of ordinary shares in issue ('000)	599,966	599,966	599,966	599,966
Basic Earnings per share (Naira)	4.78	7.18	3.60	6.75

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

13 Particulars of the Directors and Employees

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

	30 June 2024	30 June 2023
	Number	**Number**
Executive Manager	2	5
Senior Manager	28	28
Manager	44	43
Supervisor	94	91
Specialist	224	204
Superintendent	163	168
Junior	257	227
	812	**766**

b **Salary Range**

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

	30 June 2024	30 June 2023
	Number	**Number**
N1,000,001 - N2,000,000	205	204
N2,000,001 - N3,000,000	104	164
Over N3,000,000	503	398
	812	**766**

c **Staff Cost**

Staff costs for the above personnel (excluding executive Directors):	April-June 2024	30 June 2024	April-June 2023	30 June 2023
	N'000	**N'000**	**N'000**	**N'000**
Wages and salaries (Note 7.4)	1,241,532	2,508,374	1,042,883	2,127,072
Pension costs - defined contribution- Cost of Sales (Note 7.1)	54,611	106,813	59,398	104,338
Pension costs - defined contribution- Administration (Note 7.2)	18,107	35,001	18,197	32,631
Other personnel cost	496,584	895,471	350,335	668,532
	1,810,834	**3,545,659**	**1,470,813**	**2,932,573**

d **Directors' emoluments**

The remuneration paid to the Directors of the Company was:

	April-June 2024	30 June 2024	April-June 2023	30 June 2023
	N'000	**N'000**	**N'000**	**N'000**
Fees for services as Directors	67,555	68,805	4,251	7,506
Other emolument as management	-	-	-	-
	67,555	**68,805**	**4,251**	**7,506**

13 Particulars of directors and employees - continued

d Directors' emoluments - continued

Fees for services as directors include fees, sitting allowance and travel expenses. The Managing Director is the only member of management team on the board and he earns no salary from the company. His salary is paid by Frigoglass Industries Nigeria Limited- Beta Glass Plc's parent company.

	30 June 2024	30 June 2023
	N'000	N'000
Amount paid to the Chairman	6,844	1,414
Amount paid to the highest paid Director	6,844	1,615

This includes fees, board and committee's sitting allowance and travel expenses.

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:

	30 June 2024	30 June 2023
	Number	Number
N1,000,000 - N5,000,000	-	-
N5,000,001 - N10,000,000	6	6
	6	6
Directors with no emoluments	4	3

Directors with no emoluments waived their right to receive remuneration from the Company.

14 Intangible Assets

	Computer software	
	30 June 2024	31 December 2023
	N'000	N'000
Cost		
As at 1 January	60,708	60,708
As at 31 December	**60,708**	**60,708**
Accumulated amortisation:		
As at 1 January	(56,774)	(52,562)
Charge for the year	(2,055)	(4,212)
As at 31 December	**(58,829)**	**(56,774)**
Net book vaue		
As at 31 December	**1,879**	**3,934**

The remaining amortization period of the intangible asset is between 1 and 2 years. Amortization of N2.05 million (December 2023: N4.21 million) has been charged to Administrative expenses.

15 Inventories

	30 June 2024	31 December 2023
	N'000	N'000
Raw materials - cost	6,123,997	5,747,846
Work in progress - cost	64,822	523,358
Finished goods - cost	6,140,493	5,857,285
Spare parts and other consumables - cost	5,828,833	4,695,302
Goods in transit	843,191	919,592
	19,001,336	**17,743,383**

As at June 2024, the write-down of inventories to net realisable value amounted to N1.48 billion (December 2023: N484.05 million) and the movement during year is recognised as an expense / utilisation in the period it occurred and included in cost of sales in profit or loss.

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

	30 June 2024	30 June 2023
	N'000	N'000
Cost of inventories included in cost of sales	14,522,803	9,796,466

The amount represents cost of raw materials and packaging materials consumed less export grants and included in cost of sales per Note 7.1

16 Trade and other receivables

	30 June 2024	31 December 2023
	N'000	N'000
Trade receivables	11,476,431	9,054,856
EEG receivable (Note 4)	1,963,428	1,563,429
Prepayments	2,679,696	1,009,814
Prepayment - Short term lease	459,646	45,346
Withholding tax receivable	-	164,278
Other receivables	-	430,841
Staff receivables	122,709	251,409
Related parties receivables(Note 29)	36,980,827	16,458,556
	53,682,737	28,978,529
Allowance for expected credit losses	(478,337)	(478,337)
Total	**53,204,400**	**28,500,192**

Analysis of Expected credit losses- June 2024

	Trade Receivable	Staff Receivable	Related Party Receivable	Total
	N'000	N'000	N'000	N'000
Gross	11,476,431	122,709	36,980,827	48,579,967
ECL	(230,971)	(1,053)	(246,314)	(478,337)
Net	**11,707,401**	**123,762**	**37,227,141**	**49,058,304**

16 Trade and other receivables - continued

Analysis of Expected credit losses- December 2023

	Trade Receivable	Staff Receivable	Related Party Receivable	Total
	N'000	**N'000**	**N'000**	**N'000**
Gross	9,054,856	251,409	16,458,556	25,764,821
ECL	(230,971)	(1,053)	(246,314)	(478,337)
Net	**8,823,886**	**250,356**	**16,212,243**	**25,286,484**

Other receivable represents insurance claim receivables.

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

16.2 Set out below is the movement in the allowance for expected credit losses:

16.2.1 Trade Receivable

	30 June 2024	31 December 2023
	N'000	**N'000**
As at 1 January	230,971	37,873
Additional Provision during the year	-	193,098
As at 30 June	**230,971**	**230,971**

16.2.2 Staff Receivable

	30 June 2024	31 December 2023
	N'000	**N'000**
As at 1 January	1,053	1,053
As at 30 June	**1,053**	**1,053**

16.2.3 Related Parties Receivable

	30 June 2024	31 December 2023
	N'000	**N'000**
As at 1 January	246,314	64,904
Additional Provision during the year	-	181,410
As at 30 June	**246,314**	**246,314**

16.3 Trade and other receivable for cashflow purpose

	30 June 2024	31 December 2023
	N'000	**N'000**
Trade and other receivables	53,204,400	28,500,192
WHT utilised for Company Income tax	168,492	155,357
	53,372,892	**28,655,549**

17 Cash in hand and at bank

	30 June 2024	31 December 2023
	N'000	**N'000**
Cash in hand	434	474
Cash at bank	7,537,122	15,743,996
Short-term deposit	11,046,486	11,065,000
	18,584,042	**26,809,470**
Expected credit loss on short term deposit (Note 17.1)	(12)	(12)
Cash and Short-term deposits	**18,584,030**	**26,809,458**

183 Million Unclaimed dividend included in the cash balance

17.1 Expected Credit Loss on Short Term Deposit

	30 June 2024	31 December 2023
	N'000	**N'000**
As at 1 January	12	59,230
Reversal during the year	-	-59,218
As at 30 June	**12**	**12**

18 Borrowings

	30 June 2024	31 December 2023
	N'000	**N'000**
Short term borrowings	36,253,550	24,647,423
	36,253,550	**24,647,423**

	30 June 2024	31 December 2023
Reconciliation of Short term Borrowings:	**N'000**	**N'000**
Borrowing as at 1 January	24,647,423	9,597,897
Interest Charged	3,716,694	2,117,688
Repayment of Borrowings during the period	(8,695,976)	(1,962,877)
Interest Paid	(55,052)	(2,117,688)
Foreign exchange movement	13,334,933	9,297,608
Additional borrowings during the period	3,305,528	7,714,795
Borrowing as at period ended	**36,253,550**	**24,647,423**

Short term borrowings represents Import Finance Facilities (IFF) from bank for the importation of raw materials and plant and equipment at a variable interest rate ranges from 8% to 15.37% (2023: 8% to 15.25%) normally payable within 30 to 90 days (but can be rolled over).

19 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
Cost								
At 1 January 2024	**168,540**	**4,002,589**	**32,572,320**	**589,619**	**1,472,247**	**11,614,044**	**12,884,339**	**63,303,698**
Additions		8,683	1,448,624	80,107	260,271	-	4,475,300	6,272,985
Disposals		-	(24,814)	-	(50,300)	-	-	(75,114)
Write off		-						-
Reclassifications		154,719	1,472,952	37,060	47,098	225,270	(1,937,099)	-
At 30 June 2024	**168,540**	**4,165,991**	**35,469,082**	**706,786**	**1,729,316**	**11,839,314**	**15,422,540**	**69,501,569**
Accumulated depreciation:								
At 1 January 2024	-	**1,105,259**	**19,518,245**	**395,470**	**1,045,359**	**7,484,286**	-	**29,548,619**
Charge for the year	-	61,292	1,641,033	37,878	97,573	535,779	-	2,373,555
On disposals	-	-	16,092	-	(50,300)	-	-	(34,208)
Write off		-						-
At 30 June 2024	-	**1,166,551**	**21,175,370**	**433,348**	**1,092,632**	**8,020,065**	-	**31,887,966**
Net book value:								
At 30 June 2024	**168,540**	**2,999,440**	**14,293,712**	**273,438**	**636,684**	**3,819,249**	**15,422,540**	**37,613,603**

Assets under construction represents value of plant and machinery in progress. On completion, the assets will be capitalized and subsequently depreciated.

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

Depreciation expenses charged as follows:	**N' 000**
Cost of Sales (Note 7.1)	2,379,633
Administrative expenses (Note 7.2)	37,878
Total	**2,417,511**

19 Property, plant and equipment

	Land N'000	Building N'000	Plant and Machinery N' 000	Furniture fittings and N' 000	Motor Vehicles N' 000	Furnaces N' 000	Assets under Constructio N' 000	Total N' 000
Cost:								
At 1 January 2023	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)	-
At 31 December 2023	**168,540**	**4,002,589**	**32,572,320**	**589,619**	**1,472,248**	**11,614,045**	**12,884,339**	**63,303,698**
Acumulated depreciation:								
At 1 January 2023	-	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)	-	-	(102,411)
Write off	-	(461)	-	-	-	-	-	(461)
At 31 December 2023	**-**	**1,105,259**	**19,518,245**	**395,469**	**1,045,359**	**7,484,286**	**-**	**29,548,619**
Net book value:								
At 31 December 2023	**168,540**	**2,897,330**	**13,054,075**	**194,150**	**426,889**	**4,129,759**	**12,884,339**	**33,755,079**

Assets under construction represents value of plant and machinery in progress. On completion, the assets will be capitalized and subsequently depreciated.

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

** Transfer represents asset that were capitalised from Asset under Construction during the year

Depreciation expenses charged as follows:	**N' 000**
Cost of Sales (Note 7.1)	3,975,883
Administrative expenses (Note 7.2)	66,910
Total	**4,042,793**

20 Right-of-Use asset

Company as a lessee
The Company has lease contracts for rented guesthouses. Leases of guesthouses generally have lease terms between 1 and 2 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension options, which are further discussed below.

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 recognised and the movements during the period:

	Buildings	
	30 June 2024	**31 December 2023**
	₦'000	**₦'000**
As at 1 January	39,852	51,025
Additions	87,410	153,749
Depreciation expense	(61,614)	(164,922)
As at	**65,648**	**39,852**

There were no lease liabilities as at 30 June 2024 (December 2023: Nil).

	30 June 2024	**30 June 2023**
	₦'000	**₦'000**
Depreciation expense of right-of-use assets	61,614	39,732
Expense relating to short-term leases (included in Admin and Selling expenses)	51,306	68,670
Total amount recognised in profit or loss	**112,920**	**108,402**

The Company had total cash outflows for leases of N87.41 million as of 30 June 2024 (December 2023: N153.75 million)

Notes to the Unaudited Interim Financial Statements - Continued

21 Deferred tax liabilities

	30 June 2024 N'000	31 December 2023 N'000
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 11)	-	289,866
At 30 June	**3,828,471**	**3,828,471**

	30 June 2024 N'000	31 December 2023 N'000
Deferred Tax Assets	(436,453)	(436,453)
Deferred Tax Liabilities	4,264,924	4,264,924
Net Deferred Tax Liabilities	**3,828,471**	**3,828,471**

Deferred tax relates to the followings:

	Statement of Financial Position		Statement of Profit or loss	
	30 June 2024 N'000	December 2023 N'000	30 June 2024 N'000	31 December 2023 N'000
Accelerated depreciation for deferred tax purpose	(4,264,924)	(4,264,924)	-	244,776
Cash and Trade receivable - unrealised exchange gain	(3,388,001)	(3,388,001)	-	3,446,464
Trade and other payable - unrealised exchange gain and others	3,441,403	3,441,403	-	(3,242,508)
Trade and other receivables - impairment loss	199,003	199,003	-	(186,845)
Inventory - write down and other provisions	184,048	184,048	-	27,979
Total	**(3,828,471)**	**(3,828,471)**	**-**	**289,866**

22 Trade and other payables

	30 June 2024 N'000	31 December 2023 N'000
Trade payables	17,201,755	14,448,407
Contract liabilities	720,094	972,735
Social security and transaction taxes	1,239,889	608,750
Liability arising from financial guarantee (Note 30)	185,158	185,158
Accrued expenses and other payables	7,670,519	5,645,652
Amounts due to related parties (Note 29b)	3,408,780	1,397,053
	30,426,195	**23,257,755**

The Contract liabilities represents short- term advances received from customers to supply glass bottles

Notes to the Unaudited Interim Financial Statements - Continued

22 Trade and other payables - continued

22.1 Social security and transaction taxes includes VAT, Withholding taxes, Pay As You Earns taxes and Pension liabilities

22.2 Accrued expenses and other payables represent energy expenses accrued, transport income accrued, employee bonus accrued and raw material purchases accrual etc as at the period end

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

	30 June 2024	31 December 2023
22.3 Financial liabilities includes:	**N'000**	**N'000**
Trade payables	17,201,755	14,448,407
Liability arising from financial guarantee (Note 22.4)	185,158	185,158
Amounts due to related parties (Note 29)	3,408,780	1,397,053
	20,795,693	**16,030,618**

22.4 Set out below is the movement in liability arising from financial guarantee:

Liability arising from financial guarantee	30 June 2024	31 December 2023
	N'000	**N'000**
As at 1 January	185,158	-
Provision during the year	-	185,158
As at 30 June	**185,158**	185,158

23 Current income tax

	30 June 2024	31 December 2023
	N'000	N'000
The movement in current income tax is as follows:		
At 1 January	2,930,005	2,432,315
Provision for the year (Note 11)	2,003,058	2,713,237
Payment during the year	(2,445,190)	(2,060,190)
Withholding Tax Credit Utilised	(168,492)	(155,357)
At 30 June	**2,319,381**	**2,930,005**

24 Dividend payable

	30 June 2024	31 December 2023
	N'000	**N'000**
At 1 January	183,238	161,983
Dividend declared during the year	839,953	701,961
Dividend paid during the year (Note 27)	(839,953)	(701,961)
Unclaimed dividend (refunded)/returned	(14,117)	22,649
Statute barred unclaimed dividend transferred to retained earnings	-	(1,394)
At 30 June	**169,121**	**183,238**
Dividend per share (Naira)	1.40	1.17

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

Notes to the Unaudited Interim Financial Statements - Continued

25 Issued Share Capital and Share Premium

25.0

		30 June 2024	31 December 2023
		N'000	**N'000**
25.1	Allotted, called up and fully paid:	**299,983**	**299,983**
			-
	599,966,000 ordinary shares of 50k each	**299,983**	**299,983**

Shareholders with 5% and above holdings as at 30 June 2024

	30 June 2024		31 December 2023	
	Number of shares	%	Number of shares	%
Frigoglass Industries Nigeria Limited	371,269,358	61.88%	371,269,358	61.88%
Friogoinvest Nigeria Holdings B.V	48,999,757	8.17%	48,999,757	8.17%
Stanbic IBTC Nominees Nigeria Limited	37,375,537	6.23%	37,378,137	6.23%
Others	142,321,748	23.72%	142,319,148	23.72%
	599,966,400	**100%**	**599,966,400**	**100%**

Shareholding Structure/Free Float Status

Description	**30 June 2024**		**30' June 2023**	
	Units	Percentage (In relation to Issued Share Capital)	Units	Percentage (In relation to Issued Share Capital)
Issued Share Capital	599,966,400	100%	599,966,400	100%
Details of Substantial Shareholdings (5% and above)				
[Name(s) of Shareholders]				
Frigoglass Industries Nigeria Limited	371,269,358	61.88%	371,269,358	61.88%
Frigoinvest Nigeria Holdings BV	48,999,757	8.17%	48,999,757	8.17%
Total Substantial Shareholdings	**420,269,115**	**70.05%**	**420,269,115**	**70.05%**
Details of Directors Shareholdings (direct and indirect), excluding directors' holding substantial interests				
Dr. Vitus Chidiebere Ezinwa	-	-	-	-
Otunba Abimbola Ogunbanjo (Indirect)	-	-	126,480	0.02%
Mr. Darren Bennett-Voci (Direct)	60,000	0.01%	40,000	0.01%
Ms. Olufunmilola Adefope	-	-	-	-
Mr. Haralambos (Harry) G. David (Direct)	-	-	30,524	0.01%
Mr. Gagik Apkarian	-	-	-	-
Mr. Emmanouil Metaxakis	-	-	-	-
Mrs Clare Omatseye	-	-	-	-
Ms. Doyin Akinyanju	-	-	-	-
Mrs. Oyinkan Adewale	-	-	-	-
Mr. Serge Joris	-	-	-	-
Mr. Vassilis Kararizos	-	-	-	-
Total Directors' Shareholdings	**60,000**	**0.01%**	**197,004**	**0.04%**
Details of Other Influential shareholdings				
Delta State Ministry of Finance INC.	26,709,740	4.45%	26,709,740	4.45%
Total of Other Influential Shareholdings	**26,709,740**	**4.45%**	**26,709,740**	**4.45%**
Free Float in Unit and Percentage	152,927,545	25.49%	152,790,541	25.47%
Free Float in Value	**NGN 8,105,159,885.00**		**NGN 5,882,435,828.50**	
Share price as at December	**NGN 53.00**		**NGN 38.50**	

Declaration:

(A) Beta Glass Plc with a free float percentage of 25.49% as at 30 June 2024, is compliant with The Exchange's free float requirements for companies listed on the Main Board.

(B) Beta Glass Plc with a free float percentage of 25.47% as at 30 June 2023 is compliant with the Exchange's free float requirements for companies listed on the Main Board

Messrs Otunba Abimbola Ogunbanjo (died on 9th February 2024) and Haralambos David (resigned on 8th May 2024) are no longer directors of the company.

Notes to the Unaudited Interim Financial Statements - Continued

25.1 Share premium

	30 June 2024	31 December 2023
	N'000	N'000
Share premium	312,847	312,847

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

26 Other reserves

	N'000
At 30 June 2024	2,429,942
At 31 December 2023	2,429,942

Other reserves represents furnace rebuilt reserve set aside from retained earnings in previous years and the amount is not available for distribution to the equity holders of the company.

27 Retained earnings

	30 June 2024	31 December 2023
	N'000	N'000
At 1 January	48,962,234	43,220,578
Dividend declared & paid during the year relating to prior year (note 24)	(839,953)	(701,961)
Total comprehensive income	4,309,125	6,442,223
Statute barred dividend returned (Note 24)	-	1,394
At 30 June	**52,431,406**	**48,962,234**

28 Cash generated from operating activities

	30 June 2024	30 June 2023
	N'000	N'000
Profit before taxation	**6,312,183**	**6,023,700**
Adjustment for:		
Depreciation of property, plant and equipment (Note 19)	2,373,555	2,001,057
Depreciation of Right-of-use asset (Note 20)	61,614	82,564
Amortisation of intangible assets (Note 14)	2,055	2,157
Profit on disposal of property, plant and equipment	(25,542)	(5,300)
Interest income (Note 10.1)	(3,684,270)	(1,033,627)
Interest expense (Note 10.2)	3,716,694	575,696
Net Exchange Difference	(121,606)	1,125,286
Allowance for expected credit (gain)/losses	-	
Changes in working capital:		
Increase in trade and other receivables	(24,872,700)	(5,240,915)
Increasein inventories	(1,257,953)	(1,814,450)
Increase /(Decrease) in trade and other payables	7,168,440	(320,548)
Cash generated from operations	**(10,327,530)**	**1,395,620**

29 Related parties

The Company is a member of the Frigoglass group and is thus related to other subsidiaries of the Company through common shareholdings and common directorships. 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 remaining 38.1% of the shares are widely held. 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

a Transactions with related parties

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

a(i) Sales of goods and services

	30 June 2024	30 June 2023
	N'000	N'000
Sales of goods:		
Nigerian Bottling Company Limited	12,870,240	5,237,227
	12,870,240	**5,237,227**

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

29 Related parties - continued

a Transactions with related parties - continued

a(ii) Purchases of goods and services

	30 June 2024	30 June 2023
	N'000	N'000
Purchase of services:		
Frigoglass Global Limited	1,540,204	962,395
Frigoglass S.A.I.C.	-	41,499
A.G. Leventis Nigeria Limited	545,241	800,896
	2,085,445	**1,804,790**

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%). The transactions with A.G. Leventis Nigeria Limited were for rent of residential building, supply of haulage services and secretariat services. 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 27th April 2023. Frigoglass S.A.I.C. is no longer a related party after the group restructuring on 27th April 2023.

b Due to related companies

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

	Description	30 June 2024	31 December 2023
		N'000	N'000
Frigoglass Global Limted	Purchase of services	1,762,127	472,654
Frigoinvest Holding BV	Purchase of services	593,011	348,352
Frigoglass Services Single Member SA	Payment on behalf for services	1,001,825	512,354
A.G. Leventis Nigeria Limited	Purchase of services	51,817	63,693
		3,408,780	**1,397,053**

c Due from related companies

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

	Description	30 June 2024	31 December 2023
		N'000	N'000
Frigoglass Industries (Nigeria) Limited	Current account	1,645,469	316,128
Nigerian Bottling Company Limited	Sales of Bottles and purchase of cullet	7,363,890	2,774,297
Frigoglass Industries (Nigeria) Limited	Intercompany treasury balances	27,971,468	13,368,131
		36,980,827	**16,458,556**

29 Related parties - continued

c Due from related companies - continued

The receivables from related parties arise mainly from sale transactions, intercompany treasury balances and payments on behalf of other related companies with short term settlement period. The receivables are unsecured in nature and bear no interest except for treasury balances. There is impairment provisions amounting to N246.31 million (December 2023: N246.31).

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.

30 Contingent liabilities

Legal proceedings

The company is presently involved in five (5) litigations as at 30 June 2024 (December 2023: five (5). The claims against the Company from the suits amount to N7.56 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 the 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.

The Senior Secured Notes and Reinstated 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 and Reinstated 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").

31 Commitments

At 30 June, 2024, the Company had commitment of N1.16 billion (December 2023: N1.02 billion) with a bank relating to purchase of raw materials and spare parts. Also had a bond of N1.035 billion (2023: N1.035 billion) for supply of gas and power with gas suppliers and power generating facility provider.

32 Subsequent events

There were no events after the reporting date which could have had a material effect on the state of affairs of the Company as at 30 June 2024 and on the profit for the year ended on that date which have not been adequately provided for or recognised.

33 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.

34 Compliance with regulatory bodies

There was no instance of non-compliance matters with respect to regulatory bodies for the quarterly period ended 30 June 2024.