Beta Glass Plc

RC 13215

2017 | Annual Report and Audited Financial Statements

FRIGOGLASS

www.frigoglass.com

Contents

Successful visit of the Federal Government's team on Presidential Initiative on Continuous Audit (PICA) for validation exercise of export grant claim and review of operations (Agbara Plant)

Who we are

Beta Glass is a member of the Frigoglass Group, a strategic partner to beverage companies internationally. Beta Glass is the major supplier of glass packaging in the emerging markets of West Africa.

Our operations represent West Africa's largest glass container capacity, encompassing two plants and three furnaces that exceed 600 tons of produced glass containers per day.

Through a wide range of glass containers, we provide superior packaging solutions to a variety of customers operating in the soft drinks, beer, spirit, cosmetics and pharmaceutical market segments. We manufacture and sell glass bottles of high quality and specification in an array of shapes, sizes, colours and weights. We are the only strategic supplier in this region who can simultaneously supply the principal three colours (Flint, Amber, and Green bottles).

With deep engagement with our customers, we continue to invest in updated technology as well as new product development initiatives. We offer our customers better solutions that enable them to showcase their brands in the market place.

In an increasingly health conscious market, glass packaging continues to offer the most sustainable and natural packaging solution for the category of customers we seek to serve. Glass containers are pure and safe to use, helps preserve and are easy to clean and re-use multiple times.





Financial Highlights

Results at a glance

Major Statement of financial position items

	2017 N'000	2016 N'000	Increase %
Issued share capital	249,986	249,986	-
Share premium	312,847	312,847	-
Other reserves	2,429,942	2,429,942	-
Retained earnings	22,152,339	18,482,189	20
Shareholders' funds	25,145,114	21,474,964	17
Total assets	38,211,613	33,190,672	15

Major profit or loss account items

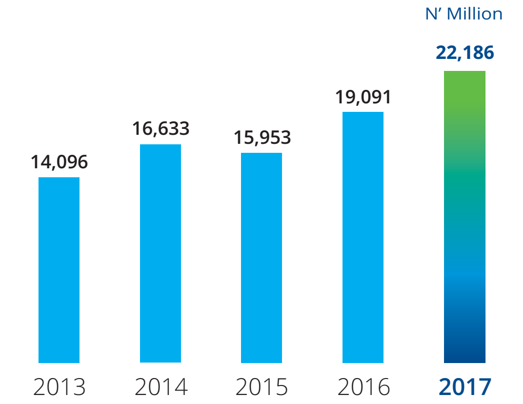
	2017 N'000	2016 N'000	Increase %
Turnover	22,186,258	19,091,192	16
Profit before taxation	5,854,740	5,215,253	12
Profit after taxation	4,115,142	3,799,393	8

Information per 50 kobo ordinary share

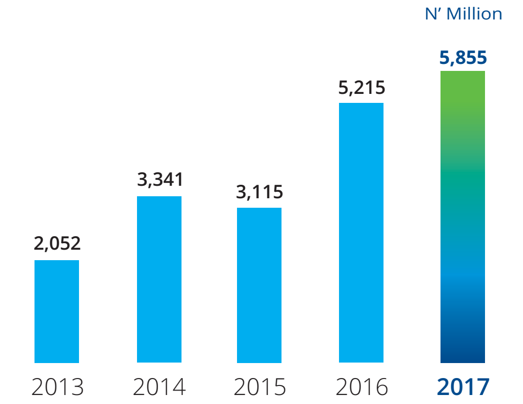
	2017	2016	Increase %
Basic earnings per share (Kobo)	823.07	759.92	8
Net assets per share (Naira)	50.29	42.95	17
Stock Exchange quotation - 31 December (Naira)	51.31	30.32	69
Market capitalization as at 31 December (N:Million)	25,653	15,159	69
Proposed Dividend per share (Kobo)	107	98	9

Five-Year Financial Summary

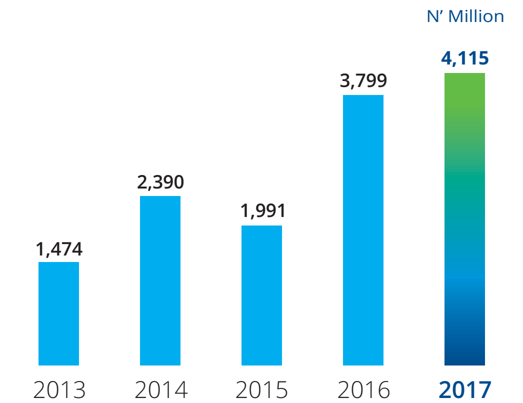
Turnover



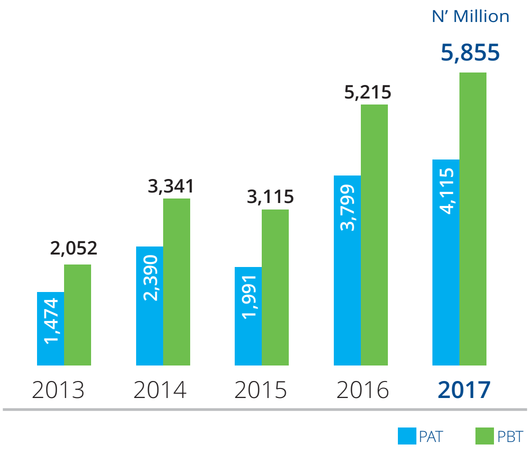
Profit Before Tax (PBT)



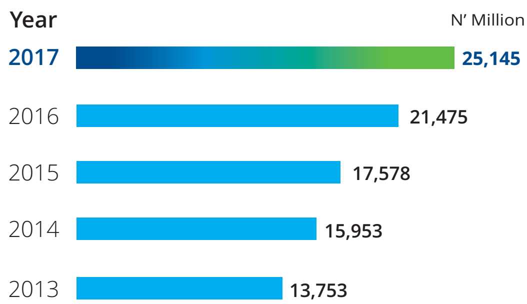
Profit After Tax (PAT)



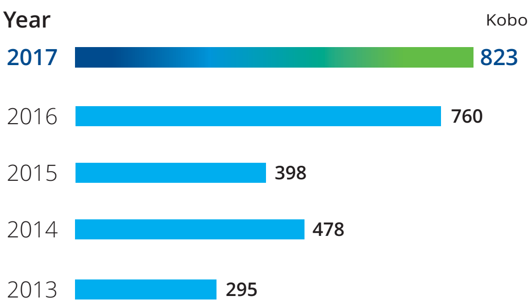
PAT VS PBT



Shareholders' Fund



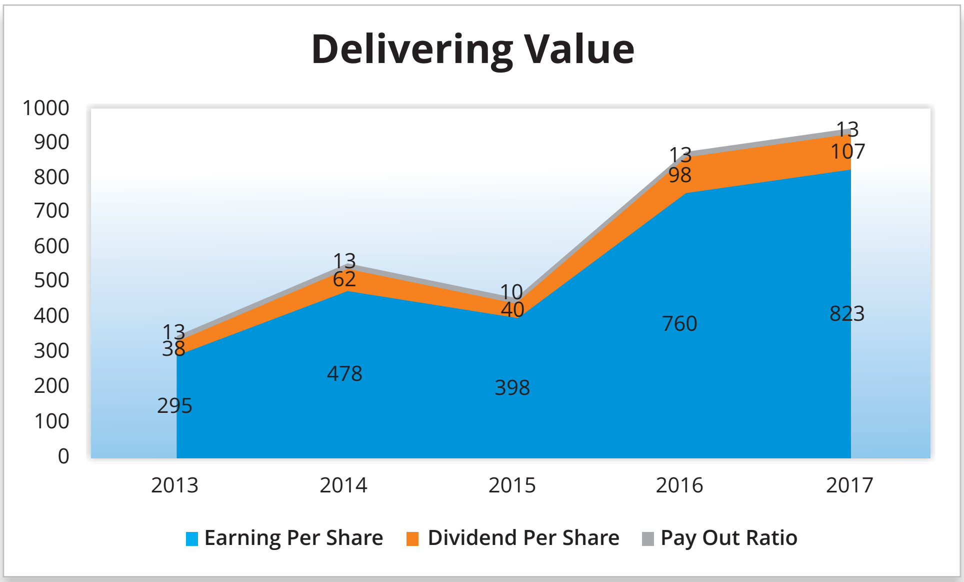
Earnings Per Share



Growth History

Equitable & Purposeful Growth, Delivering Value ....

		2013	2014	2015	2016	2017
Earning Per Share	in Kobo	295	478	398	760	823
Dividend Per Share	in Kobo	38	62	40	98	107
Pay Out Ratio	in %	13	13	10	13	13
Closing Share Price	in NGN	14.43	27.78	53.45	30.32	51.30
Market Capitalisation	in Mn Naira	7,215	13,889	26,724	15,159	25,654
NSE All Share Index (ASI)		41,329	34,684	28,642	26,875	38,243



- Continued Growth Oriented Performance for the Shareholders
- EPS Growth by 279% over 5 years, reflecting the Relentless focus on Growth and Profitability
- Steady Dividend Payout over the years, consistent Reinvestment in Growth, and being Future Ready
- Sustained, Resilient performance of the Share prices, growing by 356% over 5 years, consistent with the Healthy financial performance and Outperforming the NSE Index in the same period

Company Snapshot

With more than four decades of experience as the leading glass manufacturer of West Africa, we provide high quality glass packaging to our customers, closely working with them for their wide ranging offerings and needs.

Beers and malt

Breweries (including malt) represent our largest customer segment accounting for 42% of total glass unit sales.

Soft drinks

Sales to soft drink companies account for 24% of our glass unit sales.

Wine and spirits

Wine and spirits represent 18% of our unit sales with an offering from proprietary to generic bottles.

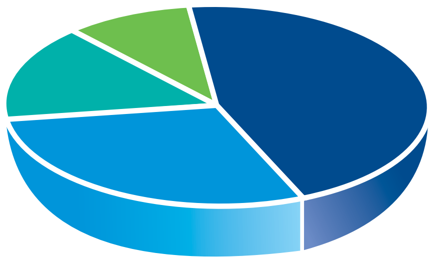
Pharmaceutical and cosmetics

This segment represents 16% of our glass unit sales. We manufacture glass containers for leading pharmaceutical and cosmetic companies.

Revenue breakdown by customer segment

Sales per unit

Beers and malt	42%
Soft drinks	24%
Wine and spirits	18%
Pharmaceutical and cosmetics	16%



Markets

Beta Glass exported to 3 countries including: Cameroon, Ghana, and Liberia.

2 production plants

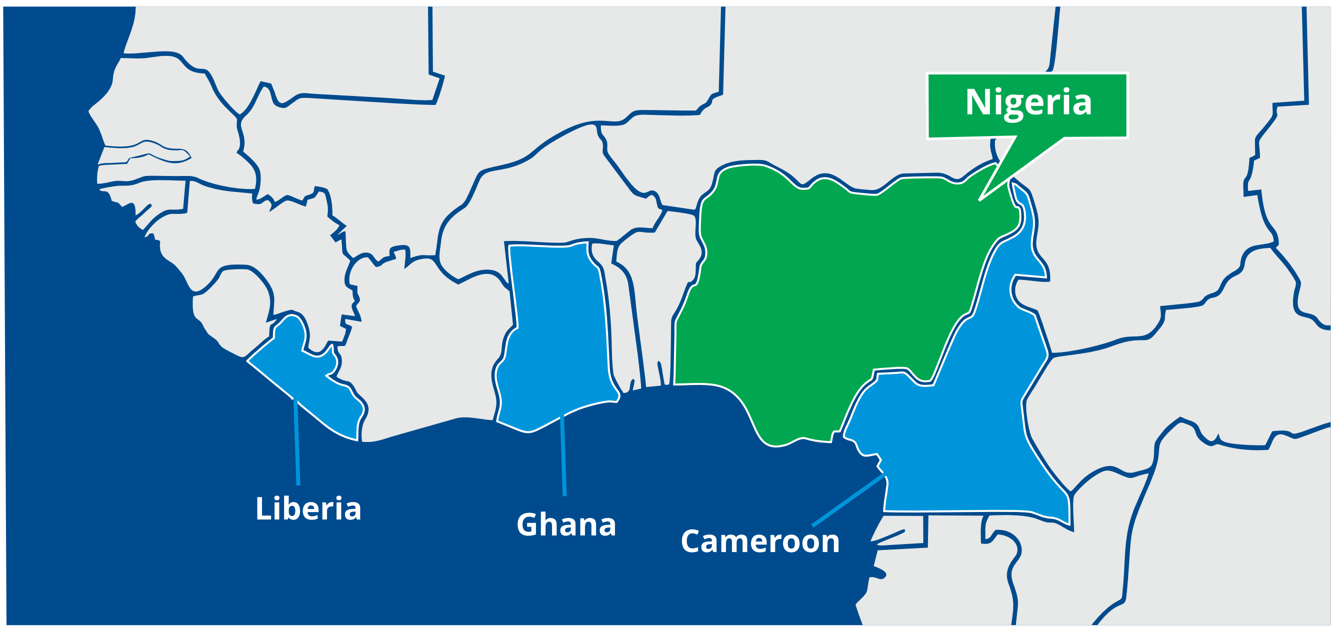
Guinea plant
Delta plant

Capacity

Number of furnaces: **3**
Daily glass production: **600 tons**

Capital expenditure

Capital expenditure amounted to **N3.6 billion in 2017,** directed primarily to machinery and equipment.



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the **44th Annual General Meeting of Beta Glass PLC** will be held at **Federal Palace Hotel, 6-8 Ahmadu Bello Way, Victoria Island, Lagos on Thursday, July 5, 2018,** at **12.00 noon** for the following purposes:

1. To lay before the meeting, the audited financial statements for the year ended December 31, 2017 together with the Directors', Auditors' and Audit Committee's Reports thereon.
2. To elect/re-elect Directors retiring in accordance with the Company's Articles of Association.
3. To declare a dividend.
4. To authorize the Directors to fix the remuneration of the Auditors.
5. To elect /re-elect shareholders' representatives on the Audit Committee.

SPECIAL BUSINESS

To consider and if thought fit, pass the following resolutions as Ordinary Resolution of the Company:

6. "That the Directors' fee payable to each Director (Non-Executive and Independent Non-Executive) until further notice be and is hereby fixed at the sum of N500,000 (Five Hundred Thousand Naira) per annum, save for the Chairman whose fees shall be fixed at the sum of N750,000 (Seven Hundred and Fifty Thousand Naira) per annum until further notice."

7 "That pursuant to the Nigerian Stock Exchange Rules governing transactions with Related Parties or Interested Parties, a general mandate be and is hereby given to the Company to enter into recurrent transactions with related parties for the Company's day-to-day operations, including the procurement of goods and services, on normal commercial terms."

Notes:

1. **Proxy**
   A member entitled to attend and vote at the General Meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company.

   All instruments of proxy duly stamped by the Commissioner of Stamp Duties in accordance with the Stamp Duties Act (Cap S.8 Laws of the Federation of Nigeria 2004) should be deposited with the Registrar at Cardinalstone (Registrars) Limited, 358 Herbert Macaulay Way, Yaba, Lagos not less than 48 hours before the time for holding the meeting.

2. **Dividend Warrants**
   If the payment of a dividend of N1.07 per share as recommended by the Directors is approved, it is intended that the warrants will be posted on July 6, 2018 to holders of eligible shares whose names appear on the Register of Members on June 15, 2018.

3. **Closure of Register**
   The Register of Transfers shall remain closed from June 18, 2018 to June 22, 2018 (both dates inclusive).

4. **Nominations for the Audit Committee**
   The Audit Committee consists of 3 Shareholders and 3 Directors, in accordance section 359 (5) of the Companies and Allied Matters Act, CAP C 20, LFN 2004, any member may nominate a shareholder for election as a member of the Audit Committee by giving in writing, notice of such nomination to the Company Secretary at least 21 days before the Annual General Meeting.

5. **Rights of Shareholders to ask questions**
   Shareholders have a right to ask questions not only at the Meeting, but also in writing prior to the Meeting, and such questions must be submitted to the office of the Company Secretary on or before June 26, 2018.

BY ORDER OF THE BOARD

BOLA ADEBISI (MS.)
Deputy Company Secretary
FRC/2013/NBA/00000002344

IDDO HOUSE, IDDO, LAGOS

Dated this 30th day of May 2018.

Directors, Officers and Advisers

Directors:

Mr. Abimbola Ogunbanjo	Chairman	
Mr. Darren Bennett-Voci (British)	Managing Director	
Dr. Zulikat Wuraola Abiola	Director	(appointed w.e.f 06/07/2017)
Ms. Olufunmilola Adefope	Director	(appointed w.e.f 22/03/2018)
Mr. Olaolu Akerele	Director	(resigned w.e.f 22/03/2018)
Chief Chris Avielele	Director	(retired w.e.f 22/03/2018)
Mr. Haralambos (Harry) G. David (Cypriot)	Director	
Mr. Nikolaos Mamoulis (Greek)	Director	
Mr. John Mastoroudes (British)	Director	
Ms. Oluwaseun Abimisola Oni	Director	(appointed w.e.f 21/09/2017)
Mr. George Papachristou (Greek)	Director	(resigned w.e.f 31/10/2017)

Secretary:

Bola Adebisi (Ms.)

Registered Office:

Iddo House, Iddo, P O Box 159, Lagos
Phone: +234 1 280 6700, 234 1 774 0844
Fax: +234 1 280 6701

Registrar and Transfer Office:

Cardinalstone (Registrars) Limited
358 Herbert Macaulay Way,
Yaba, Lagos.

Auditors

Ernst & Young
(Chartered Accountants)
10th & 13th Floors, UBA House, 57 Marina, Lagos.

Chairman's Statement

Distinguished Shareholders, Ladies and Gentlemen,

It is with great enthusiasm that I welcome you to the 44th Annual General Meeting of our Company. I am pleased to present to you the Annual Report and Financial Statements together with a review of the performance of our Company for the year ended December 31, 2017.

Permit me to start by highlighting some of the key events in our operating environment that underscored our performance in the 2017 financial year.

THE OPERATING AND ECONOMIC ENVIRONMENT

At the beginning of 2017, the economic outlook for the Nigerian economy remained hazy and gloomy given the precarious position of the macro-economy as well as the recession that plagued the nation. Economic activities were further negatively compounded by the delay in the process of approving the 2017 budget. More uncertainty bedeviled the economy in Q1 2017, worsened by the low crude oil prices. Though, oil production also increased from 1.45 million barrels per day in the first quarter of 2017 to 2.03 million barrels in the third quarter of 2017 following de-escalation of hostilities in the delta region and is expected to remain at the same level in 2018 and 2019, in tandem with the OPEC production restrictions.

The Gross Domestic Product (GDP) figures at the beginning of 2017 looked unimpressive as the economy in the full year 2016 had contracted by -1.51%. However it expanded for three consecutive quarters in 2017 with YoY growth reaching 1.9% in the final 3 months of 2017.

At 14%, unemployment remained high in 2017, the same as in 2016, and is expected to decline only slightly in 2018, to 13.5%, as recovery eases production constraints in manufacturing and agriculture.

Nigeria's external reserves grew by $13.73 billion in 2017, from $26.09 billion. The growth was driven by a multiplicity of factors, from increased portfolio inflows, a decline in the country's import bill as a direct result of the June 2015 CBN's policy to restrict forex access to 41items that can be produced locally, rise in crude oil revenues and corresponding improved production levels, to the success of the country's Eurobond offerings. Oil prices averaged $55 in 2017, 45% higher than the average price of $38 in 2016. Oil production, helped by reduced hostilities in the Niger-Delta, was up some 42% to an average of 1.7 million barrels daily in the first 10 months of 2017 from as low as 1.2 million barrels in 2016.

Chairman's Statement (Cont'd)

The Central Bank of Nigeria (CBN) Monetary Policy Committee has retained the monetary policy rate at 14% since its last meeting in 2017 in an attempt to balance the need to fight inflation and stabilize the naira whilst trying to support an economy emerging from its worst slump in the last 25 years. The Nigerian Stock Exchange ASI, at the end of 2017 stood at +40.99%. The renewed efforts from the Monetary and Fiscal authorities in 2017 were greatly responsible for this performance.

On the establishment of the Importers and Exporters (I&E) forex window in Q2 2017, the Nigerian equities market appeared to have regained confidence of foreign portfolio investors and they actively supported the resurgence of the market in the year under review. Although the market is still relatively lower than record highs set in early 2008, the rally in 2017 has helped to close the gap. The ASI had declined considerably in 2015 and 2016 as low oil prices, militant attacks, currency woes and elections apprehension hit investor sentiment. Due to the improvement in business confidence in the country, the Manufacturing PMI also recorded significant growth in 2017. The Manufacturing PMI in the month of November 2017, stood at 55.9 index points indicating expansion in the manufacturing sector for the eight consecutive months. Twelve of the sixteen subsectors reported growth towards the end of 2017. One of such subsectors in the Manufacturing sector includes the Non-metallic mineral products, under which the glass and glass product manufacturing industry falls.

FINANCIAL PERFORMANCE

During the year under review, your Company recorded a 16.2% increase in Turnover from N19.091Bn to N22.186Bn. This growth was mainly driven by price increases in response to inflationary trends and partly by cost efficiencies offsetting the rising input costs. Despite tough economic conditions at the beginning of 2017 and the slow recovery towards the end of the year, I am pleased to report that our Company remained focused on creating value for our esteemed shareholders and was able to achieve the level of success which is now recorded.

The Company recorded a strong gross profit at 24% of sales, which was 33% higher compared to prior year. The improved gross profit was largely driven by enhanced sales prices and effectively managed costs of key materials and inputs. The Finance income surged by 347%, to N1.26 Billion for the year making up for the significant drop in foreign exchange gains. This was mainly due to our judicious deployment of resources, enabling robust returns and improving Profit before tax to 26% of Net Sales, which was 12% higher compared to prior year. Net Profit stood at a healthy 19%, an 8% improvement on prior year. In the same connection, the operating profit recorded was 20% of sales and a 48% improvement compared to prior year, as a result of improved sales and overall efficiencies in cost control measures across the board.

In relation to the Company's cash flow and financial position during the year under review, Shareholders' Equity improved by N3.7Bn when compared to the previous year, resulting from the strong profit and adjusted for the dividend distributed during the year. Working Capital rose during the year due to the evolving challenging market conditions which improved marginally towards the end of the year. Borrowings increased in response to prevailing Fx shortages and higher import requirements. The transition to the new foreign exchange regime and the CBN's designated SMIS window resulted in a time lag of availability and settlement of $ Usd obligations, increasing our borrowings, albeit, short term in nature.

The Company's cash flow was managed efficiently given the difficult conditions and the Capex spends which were significantly higher compared to prior year, due to the impending furnace cold repair. Notwithstanding the increased Capex and working capital needs, your Company closed the year with a very robust cash position of N6.9 Billion, auguring well for critical Capex requirements in the coming years.

DIVIDEND

Your board has recommended a gross dividend of N1.07 per share subject to the deduction of 10% withholding tax. This represents a 9% increase in value from last year's dividend and is consistent with the Company's dividend policy to pay out 13% of Net Profit after Tax. Your Company's policy of retaining a substantial portion of its earnings has enabled it meet Capital intensive obligations such as Furnace Cold repairs that are required to be carried out from time to time for the sustenance of the business which has consequently resulted in the lowering of our finance costs.

FUTURE PROSPECTS

It is comforting to have witnessed the economy recover and move out of negative growth to a positive path of a long-term sustained growth. The Nigerian economy is expected to get a boost in 2018 as oil prices is expected to rise above the government Budget benchmark of US$45, which currently stands at $70 per barrel. With stable oil production in the Niger-Delta up to about 2.1ml bpd, it is hopeful that crude oil prices will remain favorable and that oil production is not disrupted in the Niger-Delta region. This is expected to boost revenue levels for the country. Exports are likely to outpace Imports on strong oil export revenues and shrinking import demand. It is expected that at some point in the year, there

Chairman's Statement (Cont'd)

would be a cut in interest rate leading to increase in aggregate demand and increase in credit to the private sector, as government reduces domestic borrowing. The price of Premium Motor Spirit is expected to be maintained at N145/litre. Similarly, the exchange rate which has since stabilized at N360/$ at the NAFEX window (Investors & Exporters Window) has brought about an element of certainty and will augur for better financial planning for businesses.

The socio-economic impact of the forthcoming 2019 elections on the nation cannot be overlooked, especially as it comes with great uncertainty. It is hopeful that the elections would be handled with great care in order that its impact does not adversely affect the recovery of the economy. Although inflation has come down from a high of 19% to its current 15.1%, there is still a challenge of food inflation which hovers around 20% as the middle belt region which is the food basket of the nation is currently overwhelmed by a genocidal warfare by well-armed militias. It is expected that the Federal Government will continue to intervene in the crisis and intensify efforts to halt the incessant bloodshed in order to prevent an agrarian crisis in our hands and probably a spiral of high inflation.

I am pleased to inform you that the project for the furnace cold repair scheduled at the Delta Plant is targeted for completion by the 3rd Quarter of 2018. The cold repair is expected to further extend the life of the furnace and enhance overall productivity going forward.

BOARD CHANGES AND PEOPLE

Mr. George Papachristou, Mr. Olaolu Akerele and Chief Chris Avielele all resigned since the last Annual General Meeting, the latter having served for 8 years on the Board. On behalf of the Board and Shareholders, I thank them most warmly for their unwavering commitment and service to the Company during their tenure.

The Board took a conscious decision to address the lack of representation of female members on Nigeria's listed corporate landscape. Accordingly, following a thorough search and review of available candidates, I am pleased to announce that Dr. Zulikat Wuraola Abiola, Ms. Oluwaseun Abimisola Oni and Ms. Olufunmilola Adefope were appointed as directors of the Company since the last Annual General Meeting. They will all be seeking the ratification of their appointment at this meeting.

Dr. Abiola is a Management Consultant with international strategic management consulting experience. Ms. Seun Oni is a Senior Finance Executive with experience spanning Assurance & Business Advisory and leading financial strategies whilst Ms. Adefope is a Travel and Aviation Consultant with FCMG and Beverage industry sector expertise. Their diverse and broad experience will constitute valuable additions to the Board as we look to enhance the Company's long-term value for all our shareholders.

I also use this opportunity to show appreciation to my colleagues on the Board for their contributions, co-operation and untiring efforts towards ensuring that the affairs of the Company continues to be managed and driven in a positive direction.

Our employees are the driving force behind all our successes and once again industrial harmony was maintained with no incidents of industrial unrest reported. Our developmental staff training programmes continue to be executed according to plan and to the benefit of our conscientious work force. We continue to prioritize and remain vigilant with the health and safety of our employees especially in an industry such as ours and I am also happy to report that we did not suffer any employee injury or loss in the course of their employment. I thank the Management led by Darren Bennett-Voci and all our dedicated employees for their hard work and drive which has made the results we are reporting for the 2017 financial year possible despite the very tough operating environment under which they were delivered.

COMMUNITY RELATIONS

Distinguished shareholders, the communities (Agbara and Ughelli) within which we operate deserve special mention for the sustained harmonious relationship over the years. I thank them for being tolerant hosts.

Finally, on behalf of the Board of Directors and the Management of the Company, I would like to express my gratitude and deepest appreciation to our valued stakeholders, my colleagues on the Board, our loyal and hardworking employees and all those who have contributed to our commendable performance.

Long live the Federal Republic of Nigeria, Long live Beta Glass Plc.

Thank you and God bless you.

Abimbola Ogunbanjo
Chairman

Board of Directors

Abimbola Ogunbanjo
Chairman

Darren Bennett-Voci (British)
Managing Director

Ms Olufunmilola Adefope
Director

John Mastoroudes (British)
Director

Haralambos (Harry) G. David (Cypriot)
Director

Nikolaos Mamoulis (Greek)
Director

Dr. Zulikat Wuraola Abiola
Director

Ms. Oluwaseun Abimisola Oni
Director

Directors' Report
for the year ended 31 December, 2017

The Directors present to the members of the Company, the Annual Report together with the audited financial statements for the year ended 31 December 2017.

Principal activities
The principal activity of the Company is the manufacture and sale of glassware.

Results for the year

	2017 N'000	2016 N'000
Revenue	22,186,258	19,091,192
Profit before taxation	5,854,740	5,215,253
Profit after taxation	4,115,142	3,799,393

Appropriation of profit after taxation
The Directors recommend to the shareholders, the payment of a gross dividend of **N1.07** per 50 kobo ordinary share to all shareholders on the Company's Register of Members as at the close of business **on June 15, 2018**. If the Directors' recommendation is approved by the shareholders, the profit after taxation of N 4,115,142,000 will be appropriated as follows:

	N'000
Proposed dividend (Gross)	534,970
Transfer to general reserve	3,580,172

Directors
Mr. George Papachristou, Chief Chris Avielele and Mr. Olaolu Akerele resigned after the last Annual General Meeting.

Dr. Zulikat Wuraola Abiola, Ms. Oluwaseun Abimisola Oni and Ms. Olufunmilola Adefope were appointed Directors after the last Annual General Meeting. They will retire at this Annual General Meeting and being eligible will seek election.

The Directors retiring by rotation in accordance with the Articles of Association are Mr. Haralambos (Harry) G. David and Chief Chris Avielele. While Chief Chris Avielele will not seek re-election and has opted to retire from the Board, Mr. Haralambos (Harry) G. David being eligible, offers himself for re-election.

Record of Directors attendance at meetings
Pursuant to Section 258 (2) of the Companies and Allied Matters Act, the records of Directors' attendance at Board meetings during the year under review will be available for inspection at the Annual General Meeting.

Directors' interests in the Shares of the Company
As at 1 January 2017 and 31 December 2017 the interests of the Directors (and those who served on the Board during the year under review) in the issued share capital of the company as recorded in the register of members in compliance to Section 275 of the Companies and Allied Matters Act, were as follows:

Number of shares as at	31-Dec-17	1 Jan-17
Mr. Abimbola Ogunbanjo	-	-
Mr. Darren Bennett-Voci (British)	-	-
Dr. Z. Wuraola Abiola (appointed w.e.f. 6/7/17)	-	-
Ms. Olufunmilola Adefope (appointed w.e.f. 22/3/18)	-	-
Mr. Olaolu Akerele (resigned w.e.f. 22/3/18)	-	-
Chief Chris Avielele (retired w.e.f. 22/3/18)	27,474	27,474
Mr. Haralambos (Harry) G. David (Cypriot)	25,437	25,437
Mr. Nikolaos Mamoulis (Greek)	-	-
Mr. John Mastoroudes (British)	-	-
Ms. Oluwaseun Abimisola Oni (appointed w.e.f. 21/9/17)	-	-
Mr. George Papachristou (Greek) (resigned w.e.f. 31/10/17)	-	-

*Mr. Abimbola Ogunbanjo has beneficial interest in 52,700 shares held by Turnbull Investments Limited.

Save as disclosed above, the Company is not aware of any other interests of the directors in the share capital of the Company or of its Holding Company - Frigoglass Industries (Nigeria) Limited as at 31 December 2017 or at the date of this report.

Directors' interests in contracts
Mr. Abimbola Ogunbanjo is the Managing Partner of Chris Ogunbanjo LP., one of the providers of legal services to the Company. In accordance with Section 277 of the Companies and Allied Matters Act, Mr. Abimbola Ogunbanjo has notified the Board of his interest.

None of the other Directors has notified the Company for the purpose of Section 277 of the Companies and Allied Matters Act, of any disclosable interests in contracts involving the Company either as at 31 December 2017 or at the date of this report.

Acquisition of own shares
The company did not acquire own shares during the year ended 31 December 2017 (2016: Nil).

Charitable gifts
In compliance with Section 38 (2) of the Companies and Allied Matters Act, the Company did not make any donations or gifts to any political party, political association or for any political purpose during the year under review.

Directors' Report (Cont'd)
for the year ended 31 December, 2017

Corporate governance
The Directors have striven to maintain its corporate governance ethics and rules and regulations of the regulatory authorities during the year under review.

Corporate social responsibility
It is the policy of the Company to try and consistently improve on some amenities within its host communities. Thus during the year under review, the Company accomplished the following:

	N'000
Provision of two (2) Semi-Detached Self Contained House for Ekrerhavwe Community NYSC Lodge in Delta State	4,000
Construction of Concrete Drainage - 150m x 2 x 3m deep with wall thickness Of 2" both sides for EruemukohwarienCommunity of Delta State	2,950
Construction of 6 Lockup Stores at the Ekakpamre Community Market of Delta State	2,900
Provision of Ward Bed with Table and Drip Stand and provision of Ceiling Fan at the Agbara Primary Health Centre of Ogun State	888
Total cost	**10, 738**

Significant changes in Property, Plant and Equipment
Movements in property, plant and equipment during the year were as shown in Note 14 to the financial statements. In the opinion of the Directors, the market value of the Company's Property, Plant and Equipment is not less than as shown in the Statement of financial position.

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

The Company also has training programmes designed to ensure that employees who became disabled during their employment are not, for the sake of their disabilities, disadvantaged in their career development in the Company. The Company provides overseas and on-the-job technical training for employees' knowledge enhancement in glass production technology.

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

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

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

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

Employees' individual suggestions are entertained through the use of suggestion boxes strategically located in the Company's premises.

Employment of Disabled Persons
It is the Company's policy to give special consideration to disabled persons having regard to the individual applicant's aptitudes and abilities. There were no disabled persons in the Company as at year ended 31 December 2017 (2016: Nil).

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

Events after the reporting date
A dividend in respect of the year ended December 31, 2017 of N1.07 per share, amounting to a total dividend of N534,970,000 was proposed at the board meeting held on 22 March 2018 and subject to approval at the Annual General Meeting.

There were no other events after reporting date which could have had a material effect on the state of affairs of the company as at 31 December, 2017 and on the profit for the year ended on that date which have not been adequately provided for or recognized.

Auditors
Messrs. Ernst & Young having indicated their willingness, will continue in office as Auditors of the Company in accordance with Section 357 (2) of the Companies and Allied Matters Act.

BY ORDER OF THE BOARD

BOLA ADEBISI (MS)
Deputy Company Secretary
FRC/2013/NBA/00000002344

IDDO HOUSE, IDDO, LAGOS
22 March, 2018

Corporate Governance Report

BETA GLASS PLC ("Company") is committed to the best practices in corporate governance; hence the Board continually reviews its corporate governance standards and procedures in the light of the current developments in and outside Nigeria. It recognizes that corporate governance is fundamental to earning the confidence and trust of the shareholders and consequently provides the structure through which the objectives of the Company are set and the means of attaining such objectives.

The Board is guided in its Corporate Governance policies by the provisions of the Securities and Exchange Commission Code of Corporate Governance ("the Code") which came into effect on April 1, 2011 and its policies are designed to ensure that the Company's business is conducted in a fair and transparent manner which conforms to high ethical standards. The governance framework helps the Board to discharge its roles of providing oversight and strategic counsel in balance with their responsibility to ensure conformity with regulatory requirements and acceptable risk.

In compliance with Section 34(4) of the Code, it is hereby reported as follows:

The Board of Directors

The Directors of the Company are professionals who are well established in various fields of endeavor such as Consultancy, Law, Business, Economics, Accountancy, etcetera, creating a good skills- mix and wealth of experience which they have brought to bear on deliberations at Board meetings and in the exercise of their oversight functions. The Board governs and supervises the overall activities of the Company through the Managing Director.

Composition of the Board of Directors

The composition of the Board of Directors of the Company is as follows:

Title	Name	Executive/ Non- Executive	Independent	Date of Appointment
Chairman	Mr. Abimbola Ogunbanjo	Non-Executive		28/09/2010
Managing Director	Mr. Darren Bennett-Voci (British)	Executive		17/03/2016
Member	Dr. Zulikat Wuraola Abiola	Non-Executive	Independent	06/07/2017
Member	Ms. Olufunmilola Adefope	Non-Executive		22/03/2018
Member	Mr. Olaolu Akerele (Resigned w.e.f. 22/3/2018)	Non-Executive		17/03/2016
Member	Chief Chris Avielele (Retired w.e.f. 22/3/2018)	Non-Executive		28/09/2010
Member	Mr. Haralambos (Harry) George David (Cypriot)	Non-Executive		24/04/2008
Member	Mr. Nikolaos Mamoulis (Greek)	Non-Executive		17/03/2016
Member	Mr. John Mastoroudes (British)	Non-Executive	Independent	28/09/2010
Member	Ms. Oluwaseun Abimisola Oni	Non-Executive	Independent	21/09/2017
Member	Mr. George Papachristou (Greek) (Resigned w.e.f. 31/10/2017)	Non-Executive		28/03/2012

The roles of the Board of Directors

The Charter provides for the following as the roles and responsibilities of the Board of Directors:

- Strategy and Planning
- Staffing at Board and Senior Management Levels & Succession Planning

Corporate Governance Report (Cont'd)

- Executive Remuneration
- Performance Monitoring
- Risk Management and Internal Control
- Capital Management and Financial Reporting
- Communication with the shareholders and Management of Investor relations
- Audit and Compliance

The Board is fully aware of its responsibilities which primarily involve the creation of stakeholder value and ensuring the success of the Company. The Board is responsible for ensuring that the affairs of the Company are run in an efficient manner and in compliance with applicable regulations. Members of the Board are required at all times to act in the best interest of the Company in the articulation and formulation of its strategic direction. The Board of Directors is dedicated to ensuring that the Company achieves its objectives. The Board met four times during the year, on the following days: March 23, 2017, July 6, 2017, September 21, 2017 and November 30, 2017.

Attendance at Meetings by Directors

The following is the list of the directors and their attendance at meetings during the year:

Name	23/03/2017	06/07/2017	21/09/2017	30/11/2017
Abimbola Ogunbanjo	P	P	P	P
Darren Bennett-Voci (British)	P	A	P	P
Ms. Olufunmilola Adefope	N/A	N/A	N/A	N/A
Olaolu Akerele	A	P	P	P
Chief Chris Avielele	P	P	P	P
Haralambos (Harry) George David (Cypriot)	A	P	P	A
Nikolaos Mamoulis (Greek)	P	P	A	P
John Mastoroudes (British)	P	P	P	P
George Papachristou (Greek)	P	P	P	N/A
Dr. Z. Wuraola Abiola	N/A	N/A	P	P
Ms. Oluwaseun Abimisola Oni	N/A	N/A	P	P

P = Present A = Apologies N/A = Not on the Board at the date of the meeting

Mr. George Papachristou, Chief Chris Avielele and Mr. Olaolu Akerele resigned after the last Annual General Meeting.

Dr. Zulikat Wuraola Abiola, Ms. Oluwaseun Abimisola Oni and Ms. Olufunmilola Adefope were appointed Directors after the last Annual General Meeting. They will retire at this Annual General Meeting and being eligible will seek election.

The Directors retiring by rotation in accordance with the Articles of Association are Association are Mr. Haralambos (Harry) G. David and Chief Chris Avielele. While Chief Chris Avielele will not seek re-election and has opted to retire from the Board, Mr. Haralambos (Harry) G. David being eligible, offers himself for re-election.

The biographical details of the Directors seeking election/re-election are as stated below:

Corporate Governance Report (Cont'd)

Dr Zulikat Wuraola Abiola

Dr. Zulikat Wuraola Abiola, is the Managing Director of Management Transformation Limited (MT), a management consultant firm. In this capacity, she has served clients at Nigeria and throughout Africa in strategy, business development, leadership, governance, organizational development, risk management and public sector policy consulting since 1999. She leads complex financial management, strategy and organizational development projects in finance, energy and natural resources sectors. Her impact on client engagements is a result of a compelling blend of extensive knowledge of the African business environment and international strategic management consulting experience.

She was a management consultant at McKinsey & Co (New York and then in London). She worked primarily in the areas of Strategy and Organization. She is also a Senior Lecturer (Adjunct) – Organizational Development at the University of Lagos, Department of Business Administration and serves as the lead MT facilitator on strategy, leadership and management training courses.

She holds B.Sc. in Business Administration from McLaren School of Business, USF San Francisco, S. A, MBA from London University and Ph.D. - Organizational Behaviour from London University, Imperial College, London, England.

Ms. Oluwaseun Abimisola Oni

Ms. Seun Oni is a Senior Finance Executive, with over 25 years professional experience spanning Assurance & Business Advisory and leading financial strategies and processes in multinational organizations. Ms. Oni started her career in 1991 with the firm of PricewaterhouseCoopers and took increasing roles within the firm, including leading multidisciplinary consulting engagements for large scale organizations across various industry segments.

She moved into operational management in 1999, joining the Coca-Cola Company as the Budget and Planning Manager for Coca-Cola Nigeria Limited and held varied roles of increasing capacities within the Finance function and across geographies. In 2009, Ms. Oni was appointed to the board of Coca-Cola Nigeria in her role as the Country Finance Director. In further recognition of her commitment to leadership development, she was appointed as a representative to the Eurasia Africa Group Women's Leadership Council of the Coca-Cola Company.

She joined the Nigeria Bottling Company Limited (an anchor bottler of the Coca-Cola Company and subsidiary of the Coca-Cola Hellenic Beverages Company) in 2014 as the Country Chief Finance Officer and amongst the key milestones in the role, she established herself as a transformational leader, leveraging her passion & focus around people and capability development to transform the Finance Function, lead optimization initiatives to drive cost efficiencies that translated to step change improvement in cost margins.

After a career spanning 18 years with the Coca-Cola System (Cola-Cola Nigeria Limited & Nigeria Bottling Company Limited), Ms. Oni transitioned from Nigeria Bottling Company Limited in December 2017 and took on her current role as the Executive Finance Director of Reckitt Benckiser, West Africa effective January 1, 2018.

Ms. Oni is a fellow of the Institute of Chartered Accountants of Nigeria and member of the Institute of Directors. She holds an honors degree in Economics from the University of Lagos and is also an alumnus of the management programmes of the Lagos Business School, Wharton Business School Pennsylvania and IMD Business School, Lausanne.

Ms. Olufunmilola Adefope

Ms. Olufunmilola (Lola) Adefope is graduate of Fine Art (BA) from the University of Reading, United Kingdom and is currently the General Manager of Business Travel Management Ltd, a Travel Management Company which houses several brands and sister companies specializing in; travel and aviation consultancy, travel technology, tourism and call centre management. Ms. Adefope manages the company in both Nigeria and Angola with registered entities in the UK and UAE. Passionate about the Travel, Tourism and Aviation industry as well as Nigeria, Ms. Adefope consults and has been honoured with invitations to present and deliver papers in Nigeria, Mozambique, South Africa, and the UK to entities

Corporate Governance Report (Cont'd)

including but not limited to; Pan African Business School, African Business Travel Association (ABTA), Marriott Hotels, SAATCHI, ACTE and Design for Development Paris.

Ms. Adefope is a certified ISO 9001:2008 Quality Management System Auditor and maintains an excellent relationship with SON (Standards Organisation of Nigeria) continually training and monitoring updates in the published standard. Having studied both Fine Art and Business, Ms. Adefope leverages on these skills when focusing on company reorganisation, development and Brand Management. Utilizing experience gained from working within advertising as well as mass communications in Nigeria, she applies her skills consulting for companies assisting with Branding, marketing and strategic positioning.

Mr. Haralambos (Harry) G David

Mr. Haralambos (Harry) George David began his career as a certified Investment Advisor with Credit Suisse in New York. He then served in several executive positions within Leventis Group Companies. Today he is the Chairman of Frigoglass SA and is on the Boards of A.G. Leventis (Nigeria) Plc, Nigerian Bottling Company Limited, Ideal Group and Pikwik (Nigeria) Ltd (Joint venture between A.G. Leventis (Nigeria) Plc and Pick n Pay, South Africa).

Mr. David is a member of the Organizing Committee of the Athens Classic Marathon and member of the TATE Modern's Africa Acquisitions Committee. He has served on the boards of Alpha Finance, ΔEH (Hellenic Public Power Corp) and Emporiki Bank (Credit Agricole).

The Audit Committee

The Audit Committee is composed of 6 members made up of three representatives of the shareholders elected at the 2017 Annual General Meeting for tenure of one year, and three representatives of the Board of Directors nominated by the Board. The Committee met four (4) times in the year, on the following days: March 21, 2017, May 5, 2017, July 20, 2017 and November 16, 2017.

Composition

1) Ms. Seun Oni (Appointed w.e.f 21/09/2017) - Director/Chairman
2) Mr. Olaolu Akerele - Director/Member
3) Chief Chris Avielele - Director/Member
4) Mr. John Mastoroudes (Resigned w.e.f 16/11/2017) - Director/Member
5) Professor Caleb Adeniyi Osuntogun, OFR - Shareholder/Member
6) Chief Simeon Akinyemi Odubiyi - Shareholder/Member
7) Mr. Peter Knight Okoh (Deceased 10/03/18) - Shareholder/Member

Members' attendance at the Audit Committee meetings during the financial year ended December 31, 2017 is as stated below:

Name	21/03/2017	05/05/2017	20/07/2017	16/11/2017
Ms. Seun Oni	N/A	N/A	N/A	P
Mr. Olaolu Akerele	A	A	P	P
Chief Chris Avielele	P	P	P	P
Chief Simeon Akinyemi Odubiyi	P	P	P	A
Mr. Peter Knight Okoh	P	P	P	P
Professor Caleb Adeniyi Osuntogun, OFR	P	P	P	P
Mr. John Mastoroudes	P	P	A	N/A

P = Present   A = Apologies   N/A = Not on the Audit Committee at the date of the meeting

Corporate Governance Report (Cont'd)

In 2017 the Audit Committee:

- reviewed the results of the audits undertaken by the Internal Audit department and considered the adequacy of management's responses to the matters raised, including the implementation of any recommendations made.

- reviewed and approved the 2017 Internal Audit programme, including the proposed audit approach, coverage and allocation of resources.

- reviewed the effectiveness of Internal Audit, taking into account the views of directors and senior management on matters such as independence, proficiency, resourcing, and audit strategy, planning and methodology.

- reviewed regular reports on control issues of Company level significance, including details of any remedial action being taken. It considered reports from the Internal and external auditors on the Company's systems of internal control and reported to the Board on the results of its review.

The Internal Audit department is an independent function that ensures that all operations are executing their duties in accordance with the corporate objectives, policies and procedures. In particular, Internal Audit seeks to ensure that internal financial control systems across the Company remain robust, consistent and sound.

The Internal auditor acts according to the International Standards for the Professional Practice of Internal Auditing and the policies and procedures of the Company, and reports directly to the Audit Committee.

Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee is composed of four (4) members made up of three (3) Non-Executive Directors and the Managing Director of the Company. The Committee was established to continually review the Company's Human Resources Policies, Procedures, Programmes, Compensation and Benefit Policies for all employees and the Board. The Committee met five (5) times in the year, on the following days: March 08, 2017, March 21, 2017, June 06, 2017, September 13, 2017 and November 27, 2017.

Directors' attendance at the Human Resources and Remuneration Committee meetings during the financial year ended December 31, 2017 is as stated below:

Name	08/03/2017	21/03/2017	21/06/2017	13/09/2017	27/11/2017
Mr. John Mastoroudes	P	P	P	P	P
Mr. Olaolu Akerele	A	A	P	P	P
Mr. George Papachristou	P	P	P	P	N/A
Mr. Darren Bennett-Voci	P	P	A	P	P
Dr. Z. Wuraola Abiola	N/A	N/A	N/A	N/A	P

P = Present A = Apologies
N/A = Not on the Human Resources and Remuneration Committee at the date of the meeting

Risk Management Committee

The Risk Management Committee assists the Board in its oversight of the Company's risk profile, risk management framework and the risk strategy. The Risk Management Committee also has an oversight function over Management process for the identification of significant risks across the Company and the adequacy of prevention, detection and reporting mechanisms.

Corporate Governance Report (Cont'd)

The Risk Management Committee is composed of five (5) members made up of four (4) Non-Executive Directors and the Managing Director as follows:

Mr. John Mastoroudes	-	Chairman
Mr. Olaolu Akerele	-	Member
Mr. George Papachristou (Resigned w.e.f 31/10/2017)	-	Member
Mr. Darren Bennett-Voci	-	Member
Dr. Z. Wuraola Abiola (Appointed w.e.f 06/07/2017)	-	Member
Ms. Oluwaseun Abimisola Oni (Appointed w.e.f 21/09/2017)	-	Member

The Committee met four (4) times in the year, on the following days: March 08, 2017, June 21, 2017, September 13, 2017 and November 27, 2017.

Directors' attendance at the Risk Management Committee meetings during the financial year ended December 31, 2017 is as stated below:

Name	08/03/2017	21/06/2017	13/09/2017	27/11/2017
Mr. John Mastoroudes	P	P	P	P
Mr. Olaolu Akerele	A	P	P	P
Mr. George Papachristou	P	P	P	N/A
Mr. Darren Bennett-Voci	P	A	P	P
Dr. Z. Wuraola Abiola	N/A	N/A	N/A	P
Ms. Oluwaseun Abimisola Oni	N/A	N/A	N/A	P

P = Present A = Apologies
N/A = Not on the Risk Management Committee at the date of the meeting

Induction and Training

The Company has in place a formal induction programme for newly appointed Directors. As part of this induction, each new Director is provided with core materials and asked to complete a series of introductory meetings to become knowledgeable about the Company's business and familiar with the senior management team.

The Human Resources and Remuneration Committee is in charge of evolving a continuing education programme to ensure existing Directors stay current with the Company's business and objectives as well as relevant industry information and other external factors such as corporate governance requirements and best practices. As part of the programme, Directors are encouraged to periodically attend appropriate continuing education seminars or programmes which would be beneficial to the Company and the Directors' service on the Board.

Performance Evaluation Process

The Human Resources and Remuneration Committee oversees a formal evaluation process to assess the composition and performance of the Board, each Committee, and each individual Director on an annual basis. The assessment is conducted to ensure the Board, Committees, and individual members are effective and productive and to identify opportunities for improvement and skill set needs.

As part of the process, each member completes detailed and thorough questionnaires. While results are aggregated and summarized for discussion purposes, individual responses are not attributed to any member and are kept confidential to ensure that honest and candid feedback is received.

Corporate Governance Report (Cont'd)

The Human Resources and Remuneration Committee reports annually to the full Board with its assessment. A Director will not be nominated for re-election unless it is affirmatively determined that the Director is substantially contributing to the overall effectiveness of the Board.

This year, in addition to the above, the Performance Evaluation of the Board would be outsourced to an independent External Consultant Firm.

Statement of Company's Risk Management Policies and Practices

The Board of Directors has the responsibility of ensuring the maintenance of a sound system of internal control and risk management and discharges this responsibility through its Risk Management Committee. In compliance with the requirements of the Securities and Exchange Commission Code of Corporate Governance 2011, Management provided assurance to the Board during the financial year that the risk management control and compliance systems in the Company are operating efficiently and effectively.

Specifically, our risk management objectives are to:

- demonstrate good corporate governance by managing our risks effectively.
- prioritize risks appropriately and take appropriate risks for appropriate return in line with our risk culture and appetite.
- avoid damage to our reputation, offerings and our economic profit.
- Identify and maximize the benefit from new opportunities, challenges and initiatives.

Financial Reporting and Internal Control

The Company produces a detailed Annual Report and Financial Statements, which provides insight about the business and its financial results, according to relevant international and local standards and regulations. The annual report is sent to every shareholder ahead of the Annual General meeting. The Company publishes full and half year results as required by the Investment and Securities Act 2007. The results are published in two national dailies with wide circulation. All the financial information released for public consumption is approved by the Board. The share price sensitive information is disseminated simultaneously to all shareholders without giving any preferential treatment to anyone.

The Company put in place adequate internal control procedures which include an independent audit function reporting to the audit committee. The internal audit function assists the directors and management to maintain effective controls through periodic evaluation to determine the effectiveness and efficiency of the company's internal control systems and make recommendations for enhancement or improvement.

The directors having gone through the reports of audit committee are satisfied with the adequacy and effectiveness of internal control framework existing in the Company.

Communication Policy

The Company is committed to managing an open and consistent communication policy with shareholders, potential investors and other interested parties. The objective is to ensure that the perception of those parties about the historical record, current performance and future prospects of the Company is in line with management's understanding of the actual situation.

The guiding principles of this policy, as it relates to shareholders, are that the Company gives equal treatment to shareholders in equal situations; that any price sensitive information is published in a timely fashion; and that information is provided in a format that is as full, simple, readable, understandable, transparent and consistent as possible.

Corporate Governance Report (Cont'd)

The Company has an established website and investor–relations portal where the Company's Annual Reports and other relevant information about the Company is published and made accessible to the public.

Printed Material

The Company produces a detailed Annual Report and Financial Statements, which provides insight about the business and its financial results, according to relevant international and local standards and regulations. In addition, the Company publishes full year and half year results.

Complaints Management Policy

In compliance with The Securities and Exchange Commission guideline that all Capital Market Operators must develop a complaints policy framework on how to resolve complaints arising from issues covered under the Investment and Securities Act, 2007, the Company has developed a Complaints Management Policy which will ensure that all complaints and enquiries from the Company's shareholders are managed in a fair, impartial, efficient and timely manner. A copy of this policy is made available on the Company's website at www.frigoglass.com.

Securities Trading Policy

In compliance with Section 14 of the Nigerian Stock Exchange Amended Rules, the Company has a Security Trading Policy in place which serves to guide its Directors, Management, Officers and related persons in dealing with its shares. A copy of this Policy has been distributed to all employees and is available on the Company's website at www. frigoglass.com.

Whistle Blowing Policy

The Company has put in place a WHISTLE BLOWING POLICY which is called "Speak-Up Policy" and known to all stakeholders. The Policy has a dedicated "hot-line" and email system which can be used discretely to report unethical practices.

Board Remuneration Policy

In compliance with Section 14.1 – 14.3 of the Securities and Exchange Commission Code of Corporate Governance for Public Companies in Nigeria, the Company has a Remuneration Policy which serves to guide its Directors and Senior Management Levels on the criteria and mechanism for determining levels of remuneration and the frequency for review of such criteria and mechanism. The policy clearly defines the process for determining the executive and non-executive directors' compensation and provide how and to what extent, the executive directors reward should be linked to corporate and individual performance.

Board Nomination Policy

In compliance with The Securities and Exchange Commission Code of Corporate Governance for Public Companies, the Company has a Nomination Policy which provides for a clearly defined, formal, rigorous and transparent procedure for the appointment of directors to the Board and that the criteria for the selection of directors should be defined to reflect the strength and weakness, required skills and experience as well as the age range and gender composition of the Board.

Sustainability Report

In compliance with Section 28.3 (a-i) of the Securities and Exchange Commission Code of Corporate Governance for Public Companies, the Company ensures compliance with Sustainability Issues. Our commitment to sustainability is shown in the continually set high standards of safety at the work place, improved working conditions and health and wellness of our employees. In addition, the Company frowns at corruption and unethical practice and encourages its employees, contractors and business partners to always ensure the highest standards of integrity and compliance with all relevant Laws and Regulation.

Corporate Governance Report (Cont'd)

As a Company, we firmly believe that we have an important role to play in creating a thriving society in Nigeria. We remain committed to deliver on social investments that impact lives in our various host communities across the country. We also implement measures that help us reduce the impact our operations have on the environment. Furthermore, we create significant value directly in these communities through our daily operations by providing jobs, engaging services, and sourcing materials from suppliers, and paying local levies.

Health and Safety

Health and Safety holds significant importance among all operational activities and the Company is committed to a Health and Safety system that promotes a safe working environment for all employees, contractors, customers and visitors to our plants. The Company is also committed to its wellness and health programmes for the prevention, protection, voluntary counselling and support of employees and their families with serious diseases including but not limited to HIV/AIDS, Malaria and Tuberculosis.

Employment and employees

It is our policy to equip all employees with the skills and knowledge required for successful performance of their jobs. This entails identifying the training needs of our employees and prioritizing implementation of plans to address such needs consistent with the requirements of the business today and in the future. The Company is an equal opportunity employer and does not discriminate on any grounds. Thus, we provide employment opportunities to physically challenged persons. However, this actually goes beyond the need to ensure that there is no discrimination against such persons, but driven by a deep conviction that even in disability, there could be immense ability.

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

Code of Business Conduct

Beta Glass Plc is a member of Frigoglass SAIC and follows the Code of Business Conduct (CoBC) for Frigoglass group companies. The CoBC constitutes an integral part of responsible corporate governance to which the Frigoglass Group including Beta Glass Plc has committed itself. The CoBC can be accessed at http://www.frigoglass.com/sites/default /files/Code%20of%20Business%20conduct_31.01.12.pdf and provides guidance on achieving corporate objectives through operating with honesty, fairness and integrity. The CoBC contains the following amongst others:

- Corporate values
- Compliance with laws and regulations
- Commitment to and expectations of our employees
- Our responsibilities to customers, suppliers and markets
- Our commitment to shareholders
- Our responsibilities to the public

The Code of Business Conduct also covers key policies that govern our conduct in all facets of the Company's operations such as policies on Anti-Corruption, Anti-Money Laundering, Competition and Anti-Trust.

The CoBC is subscribed to by all members of the Board of Directors, Managers and all Employees of the Company. The Company mandates strict adherence to the Code in the Company's day to day operations.

Compliance with the Code's Provisions

The Board after a careful review of the provisions of the code with the assistance of Company Secretary is of the opinion that the Company's corporate governance practices and structure are in compliance with the provisions of the Code of Business conduct.

Circular to Shareholders

CIRCULAR TO SHAREHOLDERS SEEKING A GENERAL MANDATE AUTHORIZING TRANSACTIONS WITH RELATED PARTIES OF VALUE UP TO AND MORE THAN 5% OF BETA GLASS PLC NET TANGIBLE ASSETS.

In accordance with Paragraph 6.0 of the Nigerian Stock Exchange Rules Governing Transactions with Related Parties or Interested Persons, Beta Glass Plc., hereby seeks a general mandate from shareholders in general meeting, authorizing the company to enter into recurrent transactions necessary for its day to day operations such as the purchase and sale of supplies and materials and procurement of goods and services, with its related parties up to transactions of a value equal to or more than 5% of Beta Glass Plc. 's net tangible assets.

The following information is hereby provided in respect of the transactions for which the general mandate is sought:

i. Class of interested persons with which the entity at risk will be transacting:
   a. Frigoglass Industries Nigeria Limited (FINL), the parent company;
   b. Nigeria Bottling Company Limited (NBC), an indirect shareholder;
   c. Frigoglass Global Limited (FGL), an affiliate; and
   d. Frigoglass West Africa Limited (FWAL), common shareholders with the parent company.

ii. Nature of transactions contemplated under the mandate:
   a. Receipt of technical services from FGL;
   b. Manufacture and sales of glass bottles to NBC;
   c. Loans and deposits between BG and FINL; and
   d. Loans and deposits between BG and FWAL.

iii. Rationale for, and benefit to the entity:
   a. Technological know-how in the design and manufacturing of glass tank (furnace), manufacture of bottles, annealed tableware and other glassware;
   b. Significant contribution to the Company's revenue; and
   c. Greater negotiating power with banks and ability to negotiate more favorable deposit/ funding facility rates.

iv. Methods or procedures for determining transaction prices:
   a. Comparable uncontrolled price method;
   b. Cost plus method; and
   c. Transactional net margin method.

v. We have received Independent financial advisers' opinion which confirmed that our transfer pricing methods or procedures are sufficient to ensure that the transactions shall be carried out on normal commercial terms and shall not be prejudicial to the interests of Beta Glass Plc. and its minority shareholders.

vi. Beta Glass Plc, shall obtain a fresh mandate from the shareholders if the transfer pricing methods or procedures become inappropriate and;

vii. FINL and BG through their representative and any common Directors with the remaining mentioned related parties shall abstain from voting on the Resolution approving the General mandate.

In accordance with Paragraph 6.2 of the Nigerian Stock Exchange Rules Governing Transactions with Related Parties or Interested Persons, Beta Glass hereby disclose, in Note 29(c) of the 2017 Financial Statements, the nature and aggregate value of transactions with Related Parties.

Dated this 22nd day of March, 2018
By Order of the Board

BOLA ADEBISI
Deputy Company Secretary
FRC/2013/NBA/00000002344

Compliance Certificate
for the year ended 31 December, 2017

We hereby certify that:

a) We the undersigned have reviewed the annual report and audited financial statements of Beta Glass Plc ("the Company) for the year ended 31 December 2017.

b) Based on our knowledge as officers of the Company, the annual report and audited 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;

c) Based on our knowledge, the financial statements and other financial information included in the annual 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.

d) 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 the internal controls based on the evaluation as of that date.

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

I all significant deficiencies in the design or operation of the internal controls which would adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the Company's Auditors any material weakness in internal controls, and

ii any fraud, whether or not material, that involves management or other employees who have significant role in the Company's internal controls.

f) We have identified in the report whether or not there were significant changes in internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weakness.

Mr. Darren Bennett-Voci

Managing Director

22 March 2018

FRC/2016/IODN/00000015783

Mr. Dhanikonda Shanker

Chief Financial Officer

22 March 2018

FRC/2013/ANAN/00000002336

Statement of Directors' Responsibilities

The Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Company at the end of the year and of its profit or loss. The responsibilities include ensuring that the Company:

a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004;

b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

c) prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, and are consistently applied.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards issued by the International Accounting Standards Board, Financial Reporting Council of Nigeria Act No 6, 2011 and the provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit for the year ended 31 December 2017. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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

Mr. Abimbola Ogunbanjo
Chairman

22 March 2018
FRC/2013/NBA/00000004358

Mr. Darren Bennett-Voci
Managing Director

22 March 2018
FRC/2016/IODN/00000015783

Audit Committee Report
for the year ended 31 December, 2017

In accordance with Section 359(6) of the Companies and Allied Matters Act Cap C20 LFN 2004 and the Financial Reporting Council of Nigeria Act No 6, 2011, we have reviewed:

1) the scope and planning of the audit requirement;

2) the External Auditors' Management letter for the year ended December 31, 2017 as well as the Management responses thereon and;

3) ascertained that the accounting and reporting policies of the Company for the year ended December 31, 2017 are in accordance with legal requirements and agreed ethical practices.

In our opinion, the scope and planning of the audit for the year ended December 31, 2017 together with the audited accounts were satisfactory. We were satisfied with Management responses to the Auditors findings.

Ms. Oluwaseun Abimisola Oni

Chairman of the Audit Committee

FRC/2018/ICAN/00000018088

Dated this 20th day of March, 2018

Members of the Audit Committee

Ms. Oluwaseun Abimisola Oni	-	Chairman *(appointed w.e.f November 11, 2017)*
Chief Chris Avielele	-	Member
Mr. Olaolu Akerele	-	Member
Mr. John Mastoroudes	-	Member *(resigned w.e.f November 11, 2017)*
Prof. C. A. Osuntogun	-	Member
Chief Simeon A. Odubiyi	-	Member
Mr. Peter K. Okoh	-	Member *(deceased 10/03/18)*

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

Tel: +234 (01) 631 4500
Fax: +234 (01) 463 0481
Email: services@ng.ey.com
www.ey.com

Independent Auditors' Report
to the members of Beta Glass Plc
Report on the audit of the financial statements

Opinion

We have audited the financial statements of Beta Glass Plc which comprise the statement of financial position as at 31 December 2017, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of Beta Glass Plc as at 31 December 2017, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and in compliance with the Financial Reporting Council of Nigeria Act No.6, 2011.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing the audit of Beta Glass Plc. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing the audit of Beta Glass Plc. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

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

Key audit matters	How the matter was addressed in the audit
Defined Benefit Obligation The company's post-retirement benefit provision relates to defined benefit plan - gratuity schemes which amount to a total of N2.67 billion net liability which is significant in the context of the overall Company's statement of financial position as it represents 66% of the Company's non-current liabilities and 20% of the Company's total liabilities. The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. There are complexities involved in the valuation and it has a long-term nature. A defined benefit obligation is highly sensitive to changes in the assumptions made. We considered this to be a key audit matter due to the significance of the amount and the fact that the actuarial assumptions used in the estimate of defined benefit plan are judgmental, particularly with respect to the determination of the discount rates, future salary increases, inflation rates, mortality rates and future pension increases. Small changes in a number of these key assumptions used to value the Company's retirement benefit obligation could have a material impact on the calculation of the liability. The disclosures of the estimates on defined benefit obligation is set out on Note 20 to the financial statements.	**Our audit procedures on the defined benefit obligation include:·** ● We involved internal actuarial specialists to assist us in performing the audit procedures in this area, which included among others: • Determination of appropriateness of assumptions used in the valuation of the define benefit plan liabilities including salary increases and mortality rate assumptions, by reference to market and entity specific data, both individually and when combined with other assumptions. • Assessment of the assumption for salary increases against the Company's historical trend and expected future outlook. • Consideration of the discount rate and inflation rate assumptions used, which in our view, have significant impact on the scheme valuation and require significant level of management judgement. ● We assessed the competence, independence and objectivity of the actuarial specialists engaged by the Company. ● We tested the accuracy and completeness of the underlying data used in the actuarial valuations by checking to the financial bases and demographic assumptions and other data. ● We verified the correctness of journal entries in connection with post-employment benefit expenses, current payments and for changes in post-employment benefit reserves.

Building a better working world

Independent Auditors' Report
to the members of Beta Glass Plc
Report on the audit of the financial statements *(Cont'd)*

Key audit matters	How the matter was addressed in the audit
Export Expansion Grant Receivables (EEG Receivables) and Unutilised Negotiable Duty Credit Certificates (Unutilised NDDC) The Company has Export Expansion Grant Receivable (EEG) receivable of N1.58billion and unutilised Negotiable Duty Credit Certificates (NDCC) of N1.02 billion as at 31 December 2017. EEG receivable is recognised based on export sales as soon as the related export proceeds are repatriated into the country within 180 days of the sales. Unutilised NDCC is recognised when certificates are issued to the Company by the Nigerian Export Promotion Council (NEPC) for settlement of EEG receivable. EEG receivable and unutilised NDCC are key due to the judgment applied by management in the application of the Scheme and the significance of the amount involved. The significant judgment by Management was further evidence by the inability of the beneficiaries to either receive fresh NDCC or use the NDCC at hand for the settlement of import duties and levies in lieu of cash. Management is convinced that both the EEG receivable and the Unutilised NDCC are recoverable because they are sovereign debt. This is further buttressed by NEPC circular of 20 March 2017, requesting the exporter to submit EEG baseline data and subsequent to the approval of the baseline data, exporter to submit outstanding EEG claims for which the Company has complied.	We obtained an understanding of the Company's accounting policy for recognition of the EEG receivables and unutilised NDCC and evaluate for consistency with the requirements of International Accounting Standard (IAS 20) - Government grant and the Nigerian Export Promotion Council (NEPC) Act. We tested the recognition of the EEG receivables and unutilised NDCC for compliance with the Company's accounting policy. In particular, we tested all EEG receivables recognised by assessing documentation that supports the repatriation of export proceeds within 180 days of sale. We obtained confirmation from the bank in respect of the existence of the unutilised NDCC. We reviewed the baseline data submitted by the Company in compliance with the NEPC circular issued on 20 March 2017 requesting exporters to submit their baseline data for EEG claims and subsequent to the approval of the baseline data, We also, reviewed the basis of adjustments made to write down the value of EEG receivables.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report, Compliance Certificate, Audit Committee's Report, Statement of Director's Responsibilities and Other National Disclosures (Value Added statement and Five-Year Financial Summary) as required by the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and Corporate Governance Report as required by Security and Exchange Commission. The other information does not include the financial statements and our auditors' report thereon.

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

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

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004 and in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditors' Report
to the members of Beta Glass Plc
Report on the audit of the financial statements *(Cont'd)*

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.
- We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of Schedule 6 of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria 2004, we confirm that:

I) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

ii) in our opinion proper books of account have been kept by the Company, so far as appears from our examination of those books; and

iii) the Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Omolola Alebiosu
FRC/2012/ICAN/00000000145
For: Ernst & Young
Chartered Accountants
Lagos, Nigeria

27 March 2018

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2017

	Notes	31 December 2017 N'000	31 December 2016 N'000
Revenue	6	22,186,258	19,091,192
Cost of sales	7.1	(16,938,395)	(15,145,377)
Gross profit		**5,247,863**	**3,945,815**
Selling and distribution expenses	7.3	(97,792)	(113,254)
Administrative expenses	7.2	(1,393,130)	(1,504,997)
Other income	8	617,896	629,968
Operating profit		4,374,837	2,957,532
Foreign exchange gain	9	344,119	1,913,258
		4,718,956	4,870,790
Finance income	10	1,262,045	364,271
Finance cost	10	(126,261)	(19,808)
Finance income - net	10	1,135,784	344,463
Profit before taxation		5,854,740	5,215,253
Income tax expense	11	(1,739,598)	(1,415,860)
Profit for the year		4,115,142	3,799,393
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement gain on employee benefit obligation	20.2	64,259	419,983
Deferred tax expenses on remeasurement gain on employee benefit obligation	21	(19,278)	(123,745)
Other comprehensive income for the year - net of tax		44,981	296,238
Total comprehensive income for the year - net of tax		4,160,123	4,095,631
Earnings per share (EPS)			
Basic and diluted EPS (Naira)	12	8.23	7.60

The notes on pages 41 to 74 are an integral part of these financial statements.

Statement of Financial Position
As at 31 December 2017

	Notes	31 December 2017 N'000	31 December 2016 N'000
Assets			
Non-current assets			
Property, plant and equipment	14	11,867,361	10,518,406
Intangible assets	15	10,086	14,868
		11,877,447	10,533,274
Current assets			
Inventories	16	5,025,216	4,210,668
Trade and other receivables	17	14,377,983	10,392,071
Cash in hand and at bank	18	6,930,967	8,054,658
		26,334,166	22,657,398
Total assets		38,211,613	33,190,672
Liabilities			
Non-current liabilities			
Employee benefit obligation	20	2,674,723	2,401,301
Deferred taxation liabilities	21	1,348,823	2,317,408
		4,023,546	4,718,709
Current liabilities			
Borrowings	19	762,862	181,018
Trade and other payables	22	5,282,427	5,348,226
Current income tax liabilities	23	2,940,618	1,422,569
Dividend payable	24	57,043	45,186
		9,042,950	6,996,999
Total liabilities		13,066,496	11,715,708
Equity			
Issued share capital	25	249,986	249,986
Share premium	25	312,847	312,847
Other reserves	26	2,429,942	2,429,942
Retained earnings	27	22,152,339	18,482,189
Total equity		25,145,114	21,474,964
Total equity and liabilities		38,211,613	33,190,672

The notes on pages 41 to 74 are an integral part of these financial statements

The financial statements on pages 36 to 74 were approved and authorised for issue by the Board of Directors on 22 March 2018 and were signed on its behalf by:

Mr. Abimbola Ogunbanjo
Chairman
FRC/2013/NBA/00000004358

Mr. Darren Bennett-Voci
Managing Director
FRC/2016/IODN/00000015783

Mr. Dhanikonda Shanker
Chief Financial Officer
FRC/2013/ANAN/00000002336

Statement of Changes in Equity
For the year ended 31 December 2017

	Issued share capital N'000	Share premium N'000	Other reserves N'000	Retained earnings N'000	Total N'000
At 1 January 2016	249,986	312,847	2,429,942	14,585,350	17,578,125
Profit for the year	-	-	-	3,799,393	3,799,393
Other comprehensive income for the year - net of tax	-	-	-	296,238	296,238
Total comprehensive income for the year – net of tax	-	-	-	4,095,631	4,095,631
Transaction with owners:					
Dividend paid (Note 24)	-	-	-	(199,989)	(199,989)
Statute barred dividend returned (Note 27)	-	-	-	1,197	1,197
Total transaction with owners	-	-	-	(198,792)	(198,792)
At 31 December 2016	**249,986**	**312,847**	**2,429,942**	**18,482,189**	**21,474,964**
At 1 January 2017	249,986	312,847	2,429,942	18,482,189	21,474,964
Profit for the year	-	-	-	4,115,142	4,115,142
Other comprehensive income for the year - net of tax	-	-	-	44,981	44,981
Total comprehensive income for the year – net of tax	-	-	-	4,160,123	4,160,123
Transaction with owners:					
Dividend paid (Note 24)	-	-	-	(489,973)	(489,973)
Statute barred dividend returned	-	-	-	-	-
Total transaction with owners	-	-	-	(489,973)	(489,973)
At 31 December 2017	**249,986**	**312,847**	**2,429,942**	**22,152,339**	**25,145,114**

The notes on pages 41 to 74 are an integral part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2017

	Notes	31 December 2017 N'000	31 December 2016 N'000
Cash flows from operating activities			
Cash generated from operations	28	2,445,382	3,527,581
Tax paid	23	(1,198,212)	(226,645)
Employee benefits paid	20.1	(170,626)	(218,954)
Net cash generated from operating activities		**1,076,544**	**3,081,982**
Cash flows from investing activities			
Purchase of property, plant and equipment	14	(3,569,876)	(1,034,048)
Proceeds from disposal of property, plant and equipment		91,245	2,480
Interest received	10.1	1,262,045	364,271
Net cash used in investing activities		**(2,216,586)**	**(667,297)**
Cash flows from financing activities			
Proceeds from short term borrowings	19	762,862	181,018
Repayment of term borrowing	19	(181,018)	(151,539)
Interest paid	10.2	(126,261)	(19,808)
Dividend paid	24	(489,973)	(199,989)
Statute barred dividend returned	27	-	1,197
Non-statute barred dividend returned/ (paid)	24	11,857	(3,271)
Net cash used in financing activities		**(22,532)**	**(192,392)**
Net (decrease)/ increase in cash and cash equivalents		(1,162,574)	2,222,293
Effect of exchange rate changes on cash and cash equivalents		38,883	1,830,563
Cash and cash equivalents at 1 January	18	8,054,658	4,001,802
Cash and cash equivalents at 31 December	**18**	**6,930,967**	**8,054,658**

The notes on pages 41 to 74 are an integral part of these financial statements.

Notes to the Financial Statements

1. General information

Beta Glass Plc (the Company) manufactures, distributes and sells glass bottles and containers for the leading soft drinks, breweries, wine and spirit, pharmaceutical and cosmetics companies. The Company has manufacturing plants in Agbara, Ogun state and in Ughelli, Delta state. Beta Glass Plc exports to three countries namely: Cameroun, Ghana and Liberia.

The Company is a public limited company, which is listed on the Nigerian Stock 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 Frigoglass S.A.I.C, Athens.

2 Summary of significant 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) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). Further standards may be issued by the International Accounting Standards Board (IASB) and may be subject to interpretations issued by the IFRIC.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise judgment in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The 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 judgment 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, statement of Profit or Loss and other comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements.

The financial statements were authorised for issue by the Board of Directors on 22 March 2018.

The financial statements have been prepared using a rounding level of N1000.

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 policy and disclosure

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

The following standards have been adopted by the Company for the first time for the financial year beginning on or after 1 January 2017:

(i) Amendments to IAS 7 Statements of Cash Flows: "Disclosure Initiative". The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments are effective from 1 January 2017.

(ii) Amendments to IAS 12 Income Taxes: "Recognition of Deferred Tax Assets for Unrealised Losses". The amendments clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value (e.g. investment in bonds classified as available-for-sale financial assets or measured at fair value through OCI (FVTOC) under

Notes to the Financial Statements *(Cont'd)*

IFRS 9). In this regard, deferred tax asset should be computed for unrealised losses on such debt instruments regardless of how the debt instrument is realised (held to collect cash flows or sale). Also, the amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. The amendments are effective from 1 January 2017.

(iii) Annual Improvements Cycle – 2014 – 2016 Amendments to IFRS 12 Disclosure of Interests in Other Entities: Clarification of the scope of disclosure requirements in IFRS 12. These amendments clarify the scope of the disclosure requirements in IFRS 12. The amendments require that the disclosure requirements in IFRS 12 (other than those in paragraphs B10 –B16 relating to the presentation of summarised financial information) apply to interest in a subsidiary, a joint venture or an associate that is classified (or included in a disposal group that is classified) as held for sale.

The adoption of these amendments did not have any impact on the amounts recognised in prior periods. The amendments will also not affect the current periods.

(b) New standards, amendments and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2018 and beyond, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

(i) IFRS 9 - Financial Instruments

The Company plans to adopt the new standard on the required effective date and will not restate comparative information. During 2017, the company has performed a detailed impact assessment of all three aspects of IFRS 9. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the company in 2018 when the company will adopt IFRS 9. Overall, the company expects no impact on its statement of financial position and equity except for the effect of applying the impairment requirements of IFRS 9. The company expects an increase in the loss allowance but with no significant impact on equity as discussed below. In addition, the Company will implement changes in classification of certain financial instruments.

(a) Classification and measurement

The Company does not expect a significant impact on its statement of financial position or equity on applying the classification and measurement requirements of IFRS 9. It expects to continue measuring at fair value all financial assets currently held at fair value. The company will apply the option to present fair value changes in OCI, and, therefore, the application of IFRS 9 will not have a significant impact. Loans as well as trade receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest (SPPI). The Company analysed the contractual cash flow characteristics of those instruments and concluded that they meet the criteria for amortised cost measurement under IFRS 9. Therefore, reclassification for these instruments is not required.

(b) Impairment

IFRS 9 requires the company to record expected credit losses on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. The company will apply the simplified approach and record lifetime expected losses on all trade receivables. The company has determined that, due to the unsecured nature of its receivables, the loss allowance will increase by N2,115,000 with impact of 0.02% on profit or loss and 0.003% on Retained earnings respectively.

(ii) IFRS 15 - Revenue from contracts with customers

The Company is in the business of manufacture and sale of glassware. The sale of bottles is based on Ex-works prices only agreed with the customers. Haulage services are provided to the Customers through third party service providers to customers 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.

Sale of goods

Glass bottles is a distinct performance obligation because (a) the customer can benefit from the goods on their own or together with other resources readily available (b) the goods are not highly dependent on, or highly interrelated with, other

Notes to the Financial Statements *(Cont'd)*

promised goods or services in the contract and adoption of IFRS 15 is not expected to have any significant impact on the Company's revenue and profit or loss.

Variable consideration
Rebates constitute variable consideration and are allocated to the single performance obligation affected (i.e. sale of Glass Bottles).

Rebates are granted to few customers for glass bottles sales on agreed basis according to the level of purchases of glass bottles. In every reporting period the entity accrues for the variable consideration based on the level of actual purchases. Thus, (a) there is relevant experience as the specific rebate is granted to customers every year, (b) no reversal in the future is expected as the rebate is based on actual purchases by customers.

Determination of transaction price
Under IAS 18, the Company records an accrual (IS: reducing revenue, SFP: Other creditors) in respect of rebates at every qualified customers purchases. Under IFRS 15, Revenue recognized / transaction price should be reduced by the rebate amount for the period (i.e. reducing the transaction price to be allocated in the separate performance obligations). There is no impact of IFRS 15 adoption as the company's current practice is in line with IFRS 15.

Revenue Recognition
Revenue from the sale of Glass bottles is recognized at a point in time i.e. at the time that customers receives the goods at a point in time, based on the following indicators:

(a) The company has the right to payment, at a point in time
(b) transferred the legal title,
(c) transferred physical possession,
(d) transferred risks and rewards of ownership, EXW

No significant instances of loss or damage in transit.

Revenue is recognized by the Company upon transfer of possession of goods but not necessarily acceptance by customers. IFRS 15 requires transfer of control and acceptance by customer as one of the conditions for revenue recognition. Impact of IFRS 15 adoption on 2017 financials is 0.5% of total annual revenue and 0.09% on Retained Earnings.

(iii) IFRS 16 - Leases
'Leases' was issued in January 2016. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change. The standard is effective for accounting periods beginning on or after 1 January 2019. The company is yet to assess the impact of IFRS 16.

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

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).

Notes to the Financial Statements *(Cont'd)*

(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.

2.4 Property, plant and equipment

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

Subsequent costs are included in the asset's carrying amount or 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 assets 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:

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 are reviewed and adjusted if appropriate, at the end of each reporting date.

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.

2.5 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.

Notes to the Financial Statements *(Cont'd)*

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 assets

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

2.7.1 Classification

Management determines the classification of its financial assets at initial recognition.

The Company classifies its financial assets in the following categories: fair value through profit or loss, loans and receivables, and available for sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

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

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date, which are classified as non-current assets. Loans and receivables comprise trade and other receivables and cash in hand and at bank in the statement of financial position.

2.7.2 Recognition and measurement

Loans and receivables are initially recognised at fair value and subsequently they are carried at amortised cost using the effective interest method.

2.7.3 Impairment of financial assets

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of an event that occurred after the initial recognition of the asset and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtor is experiencing financial difficulty, default in interest or principal payments, or the probability that they will enter bankruptcy and where there is an indication of a decrease in the estimated future cash flows.

For loans and receivables, the amount of the loss is measured as the difference between the carrying amount and the present value of the estimated future cash flows. The carrying amount is reduced and the loss is recognised in profit or loss.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

2.8 Financial liabilities

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

Notes to the Financial Statements *(Cont'd)*

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.

Bank debts 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.

2.9 Derecognition of financial instruments

Financial assets and liabilities are derecognised when the rights to receive cash flows from the investments or settle obligations have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

2.9.1 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. Net realizable value is the estimated selling price in the ordinary course of business, less any applicable selling expenses.

The cost of finished goods and work in progress is determined using the first-in, first-out (FIFO) method and comprises raw 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 raw materials is determined using the weighted average method.

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. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired.

The amount of the provision is the difference between the assets' carrying amount and the recoverable amount. The recoverable amount, if the receivable is more than one year is equal to the present value of expected cash flows, discounted at the market rate of interest applicable to similar borrowers. The amount of the provision is recognized as an expense in profit or loss.

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

2.12 Cash and cash equivalents

Cash in hand and at bank on the statement of financial position include cash at hand and at bank and deposits held at call with banks. Bank overdrafts are included within borrowings in current liabilities on the statement of financial position while Bank overdraft is included in Cash and Cash equivalent on the statement of Cash flow.

2.13 Borrowings

Borrowings are recognized initially at fair value, as the proceeds received, net of any transaction cost incurred. Borrowings

Notes to the Financial Statements *(Cont'd)*

are subsequently recorded at amortized cost. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted in profit or loss using the effective interest method and are added to the carrying amount of the instrument to the extent they are not settled in the period in which they arise.

(a) 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 in 2017 (2016: Nil) as there were no qualifying assets.

2.14 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is within one year or less. Otherwise, they are classified as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.15.1 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.

2.15.2 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.

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.

2.16 Employee benefit obligation

The Company operates both the defined benefit (gratuity) and defined contribution pension plans for its employees.

Notes to the Financial Statements *(Cont'd)*

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.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Federal Government of Nigeria bonds.

The current service cost of the defined benefit gratuity plan is recognised in Profit or Loss in employee benefit expense, except where included in the cost of an asset, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments and settlements.

Past-service costs are recognised immediately in profit or loss.
The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Profit or Loss.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

For defined contribution plans, the company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The 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.

2.17 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.

2.18 Revenue recognition

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 receivable for goods supplied stated net of discounts, returns and value added taxes.

Notes to the Financial Statements *(Cont'd)*

Sales of goods

Sales of glass bottles arises from both domestic and foreign sales to third parties. Revenue from the sale of goods is recognized when the significant risks and rewards of owning the goods are transferred to the buyer. Where goods are picked up by customers, risk is transferred immediately. Where goods are delivered, Beta Glass bears the risk in transit and the risk transfers when the goods are delivered. For export sales, risk and rewards transfer when goods are loaded on the vessel.

2.19 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.

2.20 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.

3.1 Financial risk factors

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.

(a) Market risk

(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 generally made in US dollars. Receipts for sales of finished goods in Nigeria are in Naira whilst receipts for sales of finished goods to countries such as Cameroon, Ghana and Liberia 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.

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

Notes to the Financial Statements *(Cont'd)*

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

	2017 USD'000	2016 USD'000
Financial assets		
Cash in hand and at bank	9,364	18,523
Trade receivables	827	2,125
	10,191	20,648
Financial liabilities		
Borrowings	2,498	593
Trade payables	4,874	2,487
Related parties payable	-	53
	7,372	3,133
Net amount	**2,819**	**17,514**

Effects in Naira on the Company's result:

	2017 N'000	2016 N'000
15 percent strengthening of the Naira to USD	(128,973)	(801,278)
15 percent weakening of the Naira to USD	128,973	801,278

	2017	2016
Reporting date spot rate of 1 USD to Naira (N)	305	305

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.

(iii) Interest rate risk

The Company's interest rate risk arises from borrowings. Borrowings are issued at floating rates exposing the Company to cash flow interest rate risk which is partially offset by cash held at variable rates. The Company's policy on managing interest rate risk is to negotiate favourable terms with the banks to reduce the impact of exposure to this risk and to obtain competitive rates for loans and for deposits. The Company had short term borrowing as at 31 December 2017 and 2016 which have fixed interest rate.

Interest rate sensitivity	Increase/decrease in basis point	Effect on profit before tax
2017		N'000
US Dollar	+1	319
Euro	+1	261
US Dollar	-1	(319)
Euro	-1	(261)
2016		
US Dollar	+1	130
US Dollar	-1	(130)

Notes to the Financial Statements *(Cont'd)*

(b) 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 doubtful debt 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.

31 December 2017

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 18)	6,930,967	-	-	-	6,930,967
Trade receivables (Note 17)	3,243,344	1,516,543	90,456	8,149	4,858,492
Receivables from related parties (Note 17)	6,298,055	107,353	2,318	-	6,407,726
Staff advances (Note 17)	138,281	-	-	-	138,281
	16,610,647	**1,623,896**	**92,774**	**8,149**	**18,335,466**

31 December 2016

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 18)	8,054,658	-	-	-	8,054,658
Trade receivables (Note 17)	2,195,976	921,055	45,814	-	3,162,845
Receivables from related parties (Note 17)	4,089,873	56,818		-	4,146,691
Staff advances (Note 17)	119,189	-	-	-	119,189
	14,459,696	**977,873**	**45,814**	**-**	**15,483,383**

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

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

Credit rating	**2017 N'000**	**2016 N'000**
B+	23,804	20,948
AAA	6,907,153	8,033,698
Aa	10	12
	6,930,967	**8,054,658**

Notes to the Financial Statements *(Cont'd)*

The credit ratings is by Fitch and below are the interpretations of the ratings

B+: Financial condition of the bank is weak but obligations still met as and when due. The bank has more than one major weakness and may require external support which may not be assured. Adverse changes in the environment (macro-economic, political and regulatory) will increase risk significantly. The plus sign indicates that the rating may be raised.

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

Aa: A financial institution of good condition and strong capacity to meet its obligations with expectations of very low default risk. It indicates very strong capacity for payment of financial commitments. This capacity is not vulnerable to foreseeable events.

(c) 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 N3.7 billion in interest bearing current accounts.

The table below analyses the Company's financial liabilities into relevant maturity based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 December 2017	**Less than 1 year N'000**	**Between 1 and 2 years N'000**	**Between 2 and 5 years N'000**	**Total N'000**
Financial liabilities:				
Trade and other payables excluding transaction taxes (Note 22)	5,039,710	-	-	5,039,710
Borrowings (Note 19)	762,862	-	-	762,862
	5,802,572	**-**	**-**	**5,802,572**

At 31 December 2016	**Less than 1 year N'000**	**Between 1 and 2 years N'000**	**Between 2 and 5 years N'000**	**Total N'000**
Financial liabilities:				
Trade and other payables excluding transaction taxes (Note 22)	5,106,449	-	-	5,106,449
Borrowings (Note 19)	181,018	-	-	181,018
	5,287,467	**-**	**-**	**5,287,467**

3.2 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

Notes to the Financial Statements *(Cont'd)*

is calculated as net debt divided by total capital. Net debt is calculated as total of borrowings, trade and other payables less cash in hand and at bank. Total capital is calculated as the sum of all equity components on the statement of financial position.

The gearing ratios at 31 December 2017 and 31 December 2016 are as follows:

	2017 N'000	2016 N'000
Borrowings	762,862	181,018
Trade and other payables	5,282,427	5,348,226
Less: Cash in hand and at bank	(6,930,967)	(8,054,658)
Net debt	(885,678)	(2,525,414)
Total equity	25,145,114	21,474,964
Capital and net debt	24,259,436	18,949,550
Gearing ratio	**(4%)**	**(13%)**

3.3 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. 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 the 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.

Property, plant and machinery

Property, 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 property, 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 property, 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 to the Country within 300 (formerly 180) 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 31 December 2017, EEG receivable stood at N1.58 billion (2016: N1.55 billion) as disclosed in Note 17.

Negotiable Duty Credit Certificate (NDCC) is the instrument of the Federal Government of Nigeria (FGN) for settlement of EEG receivable. The NDCC is used for the payment of Import and Excise duties in lieu of cash. In the last four years, the Company and other industry players have not been able to use the NDCC for settlement of customs duties. No NDCC was received by the Company in 2017 (2016: Nil). Meanwhile, Our NDCCs have been returned to FGN for proposed replacement with promissory notes as requested by NEPC. As at 31 December 2017, Unutilized NDCC stood at N1.03 billion (2016: N1.07 billion) as disclosed in Note 17.

Notes to the Financial Statements *(Cont'd)*

Though, a significant component of the EEG receivable and unutilized NDCC 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.

Deferred tax

Deferred tax is the tax expected to be payable 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. 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 the 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:

	2017 N'000	%	2016 N'000	%
Customer 1	4,826,837	22%	3,181,742	17%
Customer 2	4,400,136	20%	3,947,450	21%
Customer 3	2,242,939	10%	3,165,895	17%

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

	2017 N'000	2016 N'000
Local sales	20,755,263	16,660,177
Export sales	1,430,995	2,431,015
Total revenue	**22,186,258**	**19,091,192**

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

	2017 N'000	2016 N'000
Operating profit	4,374,837	2,957,532

Notes to the Financial Statements *(Cont'd)*

6 Revenue

	31 December 2017 N'000	31 December 2016 N'000
Sales of glassware and bottles in Nigeria	20,755,263	16,660,177
Export sales	1,430,995	2,431,015
	22,186,258	19,091,192

Included in sales of glassware and bottles are sales to related parties of N4.4bn (2016: N3.95bn). See Note 29 for further details.

7 Expenses by nature

7.1 Cost of sales

	31 December 2017 N'000	31 December 2016 N'000
Material consumed	5,962,360	4,986,131
Depreciation (Note 14)	2,033,570	2,070,090
Technical assistance fees (Note 29)	698,867	601,373
Factory salaries and wages (Note 13)	1,626,069	1,632,267
Fuel, gas and electricity	4,683,050	4,234,784
Other factory overheads	1,934,478	1,620,732
	16,938,395	15,145,377

7.2 Administrative expenses

Depreciation and amortisation charges (Note 14 & 15)	113,727	106,024
Auditors remuneration	22,272	22,272
Legal and professional fees	61,093	82,159
Salaries and wages (Note 13)	445,814	633,063
Pension costs - defined contribution plans (Note 13)	26,122	25,701
Interest on employee benefit obligation (Note 13)	365,970	264,864
Current service cost of employee benefit obligation (Note 13)	142,338	197,656
Directors' remuneration (Note 13)	21,949	13,611
Head office administrative charge - Frigoglass Jebel Ali (Note 29)	-	5,351
Travel and transportation	117,275	105,385
Other administrative expenses	76,569	48,914
	1,393,130	1,504,997

7.3 Selling and distribution expenses

Distribution costs	97,792	113,254
	97,792	113,254
Total cost of sales, administrative expenses and distribution costs	18,429,316	16,763,628

7.4 Wages and salaries included in:

Cost of sales (Note 7.1)	1,626,069	1,632,267
Administrative expenses (Note 7.2)	445,814	633,063
	2,071,883	2,265,330

Notes to the Financial Statements *(Cont'd)*

8 Other income

	31 December 2017 N'000	31 December 2016 N'000
Profit on disposal of property plant and equipment	12,839	2,452
Surplus on transport charges recovered from customers, insurance claims and others	590,598	469,741
Proceed from sale of scraps	14,458	18,408
Provision no longer required	-	139,368
	617,896	629,968

Provision no longer required represents prior year provision for management service fees no longer required.

	31 December 2017 N'000	31 December 2016 N'000
9 Foreign exchange gain		
Foreign exchange gain	344,119	1,913,258
	344,119	**1,913,258**

10 Finance income and expenses

	31 December 2017 N'000	31 December 2016 N'000
10.1 Finance income		
Interest income	1,262,045	364,271
10.2 Finance cost		
Interest expense	(126,261)	(19,808)
Net finance income	1,135,784	344,463

11 Income tax expense

	31 December 2017 N'000	31 December 2016 N'000
Income tax	2,535,103	1,122,979
Education tax	192,359	109,849
Prior year over provision*	-	(522,412)
Net income tax for the year (Note 23)	2,727,462	710,416
Deferred tax (credit)/ charged	(987,863)	183,032
Prior year under provision*	-	522,412
Net deferred tax (credit)/ charged for the year (Note 21)	(987,863)	705,444
Income tax expense	1,739,598	1,415,860

*Prior year over/under provision of N522,412,000 represents additional deferred tax liability in 2015 as a result of application of accelerated capital allowance of 95% on plant and machinery in the tax computation submitted to the tax authority for self -assessment filing for 2016 Year of Assessment (YOA).

Notes to the Financial Statements *(Cont'd)*

The current tax charge has been computed at the applicable rate of 30% (2016: 30%) plus education levy of 2% (2016: 2%) 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 property, plant and equipment 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

	31 December 2017 N'000	31 December 2016 N'000
Profit before taxation	5,854,740	5,215,253
Tax at the Nigeria Corporation Tax rate of 30% (2016: 30%)	1,756,422	1,564,576
Tax effects of:		
Non chargeable income	(144,326)	(119,159)
Non deductible expenses	6,571	30,130
Effect of education tax	192,359	109,849
Effect of tax incentive	(71,428)	(169,536)
Tax charge for the year	1,739,598	1,415,860

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 period.

	31 December 2017	31 December 2016
Profit attributable to shareholders of the Company (N'000)	4,115,142	3,799,393
Weighted average number of ordinary shares in issue ('thousand)	499,972	499,972
Basic earnings per share (Naira)	8.23	7.60

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

13 Particulars of the directors and staff

a The average number of persons, excluding the Directors, employed by the Company during the year were as follows:

	31 December 2017 Number	31 December 2016 Number
Management	289	292
Factory	332	323
Sales and Administration	8	8
	629	623

Notes to the Financial Statements *(Cont'd)*

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

			31 December 2017	31 December 2016
			Number	Number
N600,001	-	N800,000		
N800,001	-	N1,000,000	12	16
N1,000,001	-	N1,200,000	33	69
N1,200,001	-	N1,400,000	69	44
N1,400,001	-	N1,600,000	37	41
N1,600,001	-	N1,800,000	37	39
N1,800,001	-	N2,000,000	32	60
N2,000,001	-	N2,500,000	123	152
N2,500,001	-	N3,000,000	124	82
Over N3,000,000			162	120
			629	623

c Staff costs for the above persons (excluding the Executive Directors):

	31 December 2017	31 December 2016
	N'000	N'000
Wages and salaries	2,071,883	2,265,330
Pension costs - defined contribution plans (Note 7.4)	26,122	25,701
Interest on employee benefit obligation (Note 20)	365,970	264,864
Current service cost of employee benefit obligation (Note 20)	142,338	197,656
	2,606,314	2,753,551

d Directors' emoluments

The remuneration paid to the Directors of the Company was:

	31 December 2017	31 December 2016
	N'000	N'000
Fees for services as Directors	21,949	13,611
Other emolument as management	-	-
	21,949	13,611

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.

	31 December 2017 N'000	31 December 2016 N'000
Amount paid to the Chairman	5,190	4,145
Amount paid to the highest paid Director	5,190	4,145

This includes fees, sitting allowance and travel expenses.

Notes to the Financial Statements *(Cont'd)*

The number of the 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:

	31 December 2017 Number	31 December 2016 Number
N150,000 - N500,000	-	-
N500,001 - N6,000,000	7	6
	7	6
Directors with no emoluments	2	3

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

Notes to the Financial Statements *(Cont'd)*

14 Property, plant and equipment - 31 December 2017

	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 or valuation:								
At 1 January 2017	168,540	1,758,556	19,321,100	399,062	621,833	6,556,723	69,666	28,895,484
Additions	-	30,642	867,638	18,747	72,842	65,711	2,514,299	3,569,876
Disposals	-	-	(109,803)	-	(87,331)	-	-	(197,135)
Reclassifications	-	2,520	52,398	913	2,410	-	(58,241)	-
At 31 December 2017	**168,540**	**1,791,717**	**20,131,333**	**418,723**	**609,755**	**6,622,434**	**2,525,724**	**32,268,225**
Depreciation:								
At 1 January 2017	-	557,467	12,923,364	350,251	475,812	4,070,184	-	18,377,078
Charge for the year	-	52,667	1,518,733	21,894	87,050	462,170	-	2,142,514
Disposals	-	-	(31,397)	-	(87,331)	-	-	(118,728)
At 31 December 2017	**-**	**610,134**	**14,410,698**	**372,145**	**475,531**	**4,532,354**	**-**	**20,400,864**
Net book value:								
At 31 December 2017	**168,540**	**1,181,584**	**5,720,634**	**46,578**	**134,224**	**2,090,081**	**2,525,724**	**11,867,361**

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

Depreciation expenses of N2.034 billion (2016: N2.070 billion) was charged to Cost of sales and N108.95 million (2016: N102.73 million) was charged to Administrative expenses.

Notes to the Financial Statements *(Cont'd)*

14 Property, plant and equipment - 31 December 2016

	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 or valuation:								
At 1 January 2016	168,540	1,721,777	17,962,196	374,288	563,569	6,517,105	766,247	28,073,722
Additions	-	36,779	858,937	30,335	68,379	39,618	-	1,034,048
Disposals	-	-	(196,613)	(5,559)	(10,114)	-	-	(212,286)
Reclassifications	-	-	696,581	-	-	-	(696,581)	-
At 31 December 2016	**168,540**	**1,758,556**	**19,321,100**	**399,062**	**621,833**	**6,556,723**	**69,666**	**28,895,484**
Depreciation:								
At 1 January 2016	-	505,629	11,556,376	334,179	404,886	3,615,533	-	16,416,603
Charge for the year	-	51,838	1,563,601	21,603	81,040	454,651	-	2,172,733
Disposals	-	-	(196,613)	(5,531)	(10,114)	-	-	(212,258)
At 31 December 2016	**-**	**557,467**	**12,923,364**	**350,251**	**475,812**	**4,070,184**	**-**	**18,377,078**
Net book value:								
At 31 December 2016	**168,540**	**1,201,088**	**6,397,736**	**48,811**	**146,021**	**2,486,539**	**69,666**	**10,518,406**

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

Depreciation expenses of N2.070 billion (2015: N2.010 billion) has been charged to Cost of sales and N102.73 million (2015: N92.94 million) was charged to Administrative expenses.

Notes to the Financial Statements *(Cont'd)*

15 Intangible Assets

	Computer software	
	31 December 2017 N'000	**31 December 2016 N'000**
Cost		
At 1 January	37,082	37,082
Additions	-	-
As at 31 December	37,082	37,082
Accumulated amortisation:		
At 1 January	(22,214)	(18,833)
Charge for the year	(4,782)	(3,381)
As at 31 December	(26,996)	(22,214)
Net book vaue		
As at 31 December	10,086	14,868

The remaining amortization period of the intangible asset is between 2 and 3 years. Amortization charge of N4.8 million (2016: N3.4 million) has been charged to Administrative expenses.

16 Inventories

	31 December 2017 N'000	31 December 2016 N'000
Raw materials - cost	809,465	837,841
Work in progress - cost	27,324	31,512
Finished goods - cost	1,695,103	1,745,640
Spare parts and consumables - cost	1,511,488	1,253,017
	4,043,379	3,868,011
Goods in transit - cost	981,836	342,658
	5,025,216	4,210,668

Write-downs of inventories to net realisable value amounted to N443,765,000 (2016: N415,539,000). The write-down is recognised as an expense in the period it occured and included in 'cost of sales' in profit or loss.

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

	31 December 2017 N'000	31 December 2016 N'000
Cost of inventories included in cost of sales	5,962,360	4,986,131

The amount represents cost of materials consumed and included in cost of sales per Note 7.1

Notes to the Financial Statements *(Cont'd)*

17 Trade and other receivables

	31 December 2017 N'000	31 December 2016 N'000
Trade receivables	4,858,492	3,162,845
Unutilised Negotiable Duty Credit Certificates (Note 4)	1,024,894	1,067,598
EEG receivable (Note 4)	1,581,874	1,552,562
Prepayments (Note 17.1)	295,033	252,884
Other receivables	71,684	90,303
Staff advances	138,281	119,189
Receivables from related parties (Note 29)	6,407,726	4,146,691
Total	**14,377,983**	**10,392,071**

17.1 Prepayment includes prepaid insurance, prepaid rent and others. The prepaid rent is for short term period.

There is no impairment charge against trade receivables in 2017 (2016: Nil). All trade receivables are current.

18 Cash and cash equivalents

	31 December 2017 N'000	31 December 2016 N'000
Cash in hand	344	442
Cash at bank	6,930,623	8,054,216
Cash in hand and at bank	**6,930,967**	**8,054,658**

For the purpose of the cash flow statement, cash and cash equivalents comprise of:		
Cash in hand and at bank (as defined above)	6,930,967	8,054,658
Bank overdraft	-	-
Cash and cash equivalents	**6,930,967**	**8,054,658**

19 Borrowings

Short term borrowings	762,862	181,018
	762,862	**181,018**
Reconciliation of Short term Borrowings:		
At 1 January	181,018	151,539
Repayment of borrowings during the year	(181,018)	(151,539)
Additional borrowings during the year	762,862	181,018
At 31 December	**762,862**	**181,018**

Short term borrowings represents Banker Acceptance from Stanbic IBTC Bank for the importation of raw materials at a variable interest rate of Libor+5.5% payable within 30 to 60 days.

Notes to the Financial Statements *(Cont'd)*

20 Employee benefit obligations

The table below outlines where the company's post-employment amounts and activity are included in the financial statements:

	31 December 2017 N'000	31 December 2016 N'000
Statement of financial position obligations for:		
Post-employment benefit	2,674,723	2,401,301
Liability in the statement of financial position	2,674,723	2,401,301
Charge to statement of profit or loss and comprehensive income included in employee benefits expense for:		
Interest on employee benefit obligation	365,970	264,864
Current service cost of employee benefit obligation	142,338	197,656
	508,308	462,520
Remeasurements for:		
Post-employment benefit	(64,259)	(419,983)
	(64,259)	(419,983)

The provision for gratuity was based on independent actuarial valuation performed by independent actuaries using the projected unit credit method. The company does not maintain any assets for the gratuity plan but ensures that it has sufficient funds for the obligations as they crystallize.

20.1 The amounts recognised in the statement of financial position are determined as follows:

	31 December 2017 N'000	31 December 2016 N'000
Present value of obligations (unfunded)	2,674,723	2,401,301

20.2 The movement in the defined benefit obligation over the year is as follows:

	31 December 2017 N'000	31 December 2016 N'000
At 1 January	2,401,301	2,577,718
Charge during the year:		
Current service cost	142,338	197,656
Interest expense	365,970	264,864
	508,308	462,520
Total	2,909,610	3,040,238

Notes to the Financial Statements *(Cont'd)*

	31 December 2017 N'000	31 December 2016 N'000
Remeasurements:		
Actuarial losses - change in financial assumption	63,199	(30,798)
Actuarial losses - experience adjustment	(127,458)	(389,185)
	(64,259)	(419,983)
Payments from plans:		
Benefits paid by the employer	(170,626)	(218,954)
At 31 December	2,674,723	2,401,301

20.3 Maturity Profile of Defined Benefit Obligation

Within the next 12 months (next Annual Reporting Date)	218,972	170,020
Between 2 and 5 years	1,123,355	1,154,937
Between 5 and 10 years	3,435,041	3,388,431
Beyond 10 years	17,687,579	22,348,869
Total	22,464,947	27,062,257

The significant actuarial assumptions were as follows:

Discount rate (p.a.)	14.0%	15.8%
Future average pay increase (p.a.)	14.0%	14.0%
Average rate of inflation (p.a.)	12.0%	12.0%

The next valuation date is due as at 31 December 2018.

20.4 The sensitivity analysis on the accrued liability as at 31 December 2017 is as follows:

		Accrued liability N'000	Sensitivity Impact N'000
Discount rate	+0.5%	2,655,906	(18,817)
Discount rate	-0.5%	2,694,607	19,885
Salary increase	+0.5%	2,702,590	27,868
Salary decrease	-0.5%	2,647,932	(26,791)
Mortality experience	Age rated up by 1 year	2,673,527	(1,196)
Mortality experience	Age rated down by 1 year	2,675,803	1,081

Risk exposure

Through its defined benefit scheme, the Company is exposed to a number of risks, the most significant of which are detailed below:

Changes in discount rate: an increase in the discount rate will increase plan liabilities.

Inflation risks: the Company's obligations are linked to salary inflation, and higher inflation will lead to higher liabilities.

Life expectancy: the obligation is to provide benefits for the life of members, so increases in life expectancy will result in an increase in the employee benefits obligations.

Notes to the Financial Statements *(Cont'd)*

21 Deferred tax liabilities

	31 December 2017 N'000	31 December 2016 N'000
The analysis of deferred tax liabilities is as follows:		
Deferred tax liability to be recovered after more than 12 months	1,348,823	2,317,408
Deferred tax liability to be recovered within 12 months	-	-
	1,348,823	2,317,408
The movement in deferred tax is as follows:		
At 1 January	2,317,408	1,488,219
Changes during the year:		
- Debit to other comprehensive income	19,278	123,745
- (Credit) / debit to profit or loss (Note 11)	(987,863)	705,444
At 31 December	1,348,823	2,317,408
Deferred Tax Assets	(1,040,348)	(814,009)
Deferred Tax Liabilities	2,389,171	3,131,417
Net Deferred Tax Liabilities	1,348,823	2,317,408

	Property plant and equipment N'000	Unrealised exchange difference N'000	Provisions N'000	Total N'000
At 1 January 2017	2,534,807	596,610	(814,009)	2,317,408
Net credit to profit or loss and other comprehensive income	(215,918)	(526,328)	(226,339)	(968,585)
At 31 December 2017	**2,318,889**	**70,282**	**(1,040,348)**	**1,348,823**

	Property plant and equipment N'000	Unrealised exchange difference N'000	Provisions N'000	Total N'000
At 1 January 2016	2,234,240	(1,177)	(744,844)	1,488,219
Net charged/ (credit) to profit or loss and other comprehensive income	300,567	597,787	(69,165)	829,189
At 31 December 2016	**2,534,807**	**596,610**	**(814,009)**	**2,317,408**

Notes to the Financial Statements *(Cont'd)*

22 Trade and other payables

	31 December 2017 N'000	31 December 2016 N'000
Trade payables	3,128,104	2,167,069
Social security and transaction taxes	242,717	241,777
Accrued expenses and other payables	1,687,394	1,849,991
Amounts due to related parties (Note 29)	224,213	1,089,389
	5,282,427	5,348,226

An amount of N6,542,000 was reclassified in the comparative amount from "Trade payable" to Amount due from Related Parties" in Note 17.

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

23 Current income tax liabilities

	31 December 2017 N'000	31 December 2016 N'000
The movement in current income tax liabilities is as follows:		
At 1 January	1,422,569	940,642
Provision for the year (Note 11)	2,727,462	710,416
Payment during the year	(1,198,212)	(226,645)
Withholding Tax Credit Utilised	(11,201)	(1,844)
At 31 December	2,940,618	1,422,569

24 Dividend payable

At 1 January	45,186	48,457
Dividend declared during the year	489,973	199,989
Dividend paid during the year relating to prior year (Note 27)	(489,973)	(199,989)
Non-statute barred unclaimed dividend returned/ (paid)	11,857	(3,271)
At 31 December	57,043	45,186
Dividend per share (Naira)	0.98	0.40

Non-statute barred dividend returned/ (paid) relates to dividend declared but not claimed for a period of 15 months and above. This has not become statute barred and still claimable by the beneficiaries hence, the non-recognition in retained earnings.

Notes to the Financial Statements *(Cont'd)*

25 Share capital

	31 December 2017 N'000	31 December 2016 N'000
Authorised:		
600,000,000 ordinary shares of 50kobo each	300,000	300,000
Allotted, called up and fully paid:		
499,972,000 ordinary shares of 50k each	249,986	249,986

25.1 Summary of shareholding

	31December 2017		31 December 2016	
	Number of shares	%	Number of shares	%
Frigoglass Industries Nigeria Limited	309,391,133	61.88	309,391,133	61.88
Friogoinvest Holdings B.V	40,833,131	8.17	40,833,131	8.17
Stanbic IBTC Nominees Nigeria Limited	39,467,716	7.89	39,788,149	7.96
Delta State Ministry of Finance Incorporated	22,258,117	4.45	28,008,549	5.60
Others	88,021,903	17.61	81,951,038	16.39
	499,972,000	**100.00**	**499,972,000**	**100.00**

25.2 Share premium

	31 December 2017 N'000	31 December 2016 N'000
Share premium	312,847	312,847

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

26 Other reserves

	N'000
At 31 December 2016	2,429,942
At 31 December 2017	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

	31 December 2017 N'000	31 December 2016 N'000
At 1 January	18,482,189	14,585,350
Dividend declared and paid during the year relating to prior year (Note 24)	(489,973)	(199,989)
Profit for the year	4,160,123	4,095,631
Statute barred dividend returned	-	1,197
At 31 December	22,152,339	18,482,189

Statute barred dividend is no longer available for collection by the beneficiaries hence, the recognition in retained earnings.

Notes to the Financial Statements *(Cont'd)*

28 Cash generated from operations

	31 December 2017 N'000	31 December 2016 N'000
Profit before taxation	5,854,740	5,215,253
Adjustment for:		
Depreciation of property, plant and equipment (Note 14)	2,142,514	2,172,733
Amortisation of intangible assets (Note 15)	4,782	3,381
Profit on disposal of property, plant and equipment (Note 8)	(12,839)	(2,452)
Interest on employee benefit obligation (Note 20.2)	365,970	264,864
Current service cost of employee benefit obligation (Note 20.2)	142,338	197,656
Interest income (Note 10.1)	(1,262,045)	(364,271)
Interest expense (Note 10.2)	126,261	19,808
Withholding Tax Credit Note Utilised (Note 23)	(11,201)	(1,844)
Net Exchange Difference	(38,883)	(1,830,563)
Changes in working capital:		
Increase in trade and other receivables	(3,985,911)	(2,371,509)
Increase in inventories	(814,548)	(730,790)
(Decrease)/ Increase in trade and other payables	(65,799)	955,315
Net cash generated from operations	2,445,382	3,527,581

Where necessary, comparative figure have being adjusted to conform with changes in presentation in the current year

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 or 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% (2016: 61.9%) of the Company's issued ordinary shares. Frigoinvest Holding BV holds 8.2% while the remaining 29.9% of the shares are widely held. The ultimate holding company is Frigoglass S.A.I.C (incorporated in Greece).

The following companies are related parties of Beta Glass Plc:

- Frigoglass S.A.I.C - Ultimate parent and ultimate controlling party
- Frigoglass Industries (Nigeria) Limited - Parent company
- Frigoinvest Holdings BV - Intermediate parent company
- Frigoglass Global Limited
- Frigoglass Jebel Ali FZE
- Frigoglass West Africa Limited- Common Shareholders with parent company
- A.G. Leventis Plc - A common Director
- Nigerian Bottling Company - Shareholder with power to participate in the operating and financial decisions of the parent company of Beta Glass Plc

Notes to the Financial Statements *(Cont'd)*

a **Remuneration of key management personnel**

Key management personnel includes the Board of Directors (executive and non-executive) and members of the Executive Committee. The compensation paid or payable to key management for employee services is shown below:

	31 December 2017 N'000	31 December 2016 N'000
Short term benefits (Note 13)	21,949	13,611
Amount paid to the highest paid Director	5,190	4,145
Amount paid to Chairman	5,190	4,145

b The number of the Directors of the Company based on range emolument is as below:

	31 December 2017 Number	31 December 2016 Number
N150,000 - N500,000	-	-
N500,001 - N5,000,000	7	6
	7	6
Directors with no emoluments	2	3

c Transactions with related parties

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

c (i) Sales of goods and services

	31 December 2017 N'000	31 December 2016 N'000
Sales of goods:		
Nigerian Bottling Company	4,400,136	3,947,450
	4,400,136	3,947,450

Goods are sold based on the price list in force and credit period ranges from 30 to 70 days. Accordingly, they are at arm's length.

c (ii) Purchases of goods and services

	31 December 2017 N'000	31 December 2016 N'000
Purchase of services:		
Frigoglass Global Limited	698,867	601,373
Frigoglass Jebel Ali	-	5,351
A.G. Leventis PLC	248,253	168,813
	947,120	775,537

Notes to the Financial Statements *(Cont'd)*

The transaction with Frigoglass Global Limited was for the supply of technical expertise to Beta Glass Plc. The technical service fee represents 3% of net sales as approved by the National Office for Technology Acquisition and Promotion (NOTAP) certificate number 005961 with maturity profile of three (3) years from 1 January 2016 to 31 December 2018. Also included in the technical service charge for the year is Value Added Tax (VAT) at 5% paid on the technical service fee. The transaction with A.G. Leventis was for supply of haulage services and secretariat services, secretariat services and property rentals.

Purchases of goods and services are at prices comparable to those obtainable from third parties.

d Due to related companies

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

	Description	31 December 2017 N'000	31 December 2016 N'000
Frigoglass Industries (Nigeria) Limited	Payments made on behalf of Beta Glass Plc	-	694,890
Frigoglass Cyprus Limited	Purchase of services	-	285,084
Frigoglass Jebel Ali (Plant & SO)	Purchase of services	-	11,918
Frigoglass Global Limited	Purchase of services	198,747	97,497
A.G. Leventis Nig Plc	Purchase of services	25,466	-
		224,213	**1,089,389**

e Due from related companies

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

	Description	31 December 2017 N'000	31 December 2016 N'000
Frigoglass Industries (Nigeria) Limited	Payments made by Beta Glass Plc on behalf of Frigoglass Ind.(Nig.) Limited	367,919	-
Frigoglass West Africa Limted	Payments made by Beta Glass Plc on behalf of Frigoglass West Africa Limited	-	1,336,205
Nigerian Bottling Company Limited	Sales of Bottles and purchase of cullet	625,031	980,905
Frigoglass Industries (Nigeria) Limited	Intercompany treasury balances	5,414,776	1,823,039
A.G. LeventisNig Plc	Purchase of services	-	6,542
		6,407,726	**4,146,691**

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 are no provisions required against receivables from any related parties.

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

Notes to the Financial Statements *(Cont'd)*

30 Contingent liabilities

Legal proceedings

The Company is presently involved in four (4) litigation suits as at 31 December 2017. The claims against the Company from the suits amount to N2.33 billion (2016: N1.8 billion) as of reporting date. No provision has been made for these claims because based on legal advice, the Company believes that no significant loss will eventuate.

Guarantee on behalf of Frigoglass Finance B.V.

In the year 2017 the Company guaranteed first lien indebtedness (comprised of loans and notes) incurred by other members of the Frigoglass Group of approximately €120.0 million, which matures on 31 December 2021 and second lien indebtedness (comprised of loans and notes) of approximately €141 million, which matures on 31 March 2022.

31 Capital commitments

The Company had no capital commitments as at 31 December 2017 (2016: Nil).

32 Subsequent events

A dividend in respect of the year ended 31 Dec 2017 of N1.07 per share, amounting to a total dividend of N534,970,000 was proposed at the Board meeting held on 22 March 2018 and subject to approval at the Annual General Meeting. These financial statements do not reflect this dividend payable.

In 2018, the Company obtained approval for EEG rate for 2014-2016. NEPC has also requested for submission of application for EEG claims through a circular dated 6 February 2018.

There were no other events after reporting date which could have had a material effect on the state of affairs of the Company as at 31 December 2017 and on the profit for the year ended on that date which have not been adequately provided for or recognised.

33 Compliance with regulatory bodies

There was no penalty for non-compliance matters with respect to regulatory bodies for the year ended 31 December 2017 (2016: Nil).

Statement of Value Added

For the year ended 31 December 2017

	2017 N'000	%	2016 N'000	%
Revenue	22,186,258		19,091,192	
Finance income	1,262,045		364,271	
Other income	617,896		629,968	
Foreign exchange gain	344,119		1,913,258	
	24,410,319		21,998,688	
Bought in materials and services				
- Imported	(3,105,335)		(1,098,310)	
- Local	(10,570,374)		(10,735,653)	
	10,734,610	**100**	**10,164,726**	**100**
Applied as follows:				
		%		**%**
To pay employees:				
- Wages, salaries and other benefits	2,606,314	24.28	2,753,551	27.09
To pay providers of capital:				
- Finance cost	126,261	1.18	19,808	0.19
To pay government:				
- Income tax expense	2,727,462	25.41	710,416	6.99
To provide for enhancement of assets and growth:				
- Depreciation of plant, property and equipment	2,142,514	19.96	2,172,733	21.38
- Amortisation of intangible assets	4,782	0.04	3,381	0.03
- Deferred tax (credit)/ charge	(987,863)	(9.20)	705,444	6.94
- Profit retained for the year	4,115,142	38.34	3,799,393	37.38
	10,734,610	**100**	**10,164,726**	**100**

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

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

Five Year Financial Summary

	2017 N'000	2016 N'000	2015 N'000	2014 N'000	2013 N'000
Assets employed					
Non-current assets	11,877,447	10,533,274	11,675,368	9,602,728	9,693,742
Current assets	26,334,166	22,657,398	15,495,701	17,325,659	17,472,739
Non-current liabilities	(4,023,546)	(4,718,709)	(4,065,937)	(3,301,449)	(3,990,011)
Current liabilities	(9,042,950)	(6,996,999)	(5,527,007)	(7,673,957)	(9,423,313)
Net assets	**25,145,114**	**21,474,964**	**17,578,125**	**15,952,982**	**13,753,157**
Capital employed					
Issued share capital	249,986	249,986	249,986	249,986	249,986
Share Premium	312,847	312,847	312,847	312,847	312,847
Other reserves	2,429,942	2,429,942	2,429,942	2,429,942	2,429,942
Retained earnings	22,152,339	18,482,189	14,585,350	12,960,206	10,760,382
Total equity	**25,145,114**	**21,474,964**	**17,578,125**	**15,952,982**	**13,753,157**

	2017 N'000	2016 N'000	2015 N'000	2014 N'000	2013 N'000
Revenue	22,186,258	19,091,192	15,953,224	16,632,879	14,096,123
Profit before taxation	5,854,740	5,215,253	3,114,795	3,340,660	2,052,193
Income tax expense	(1,739,598)	(1,415,860)	(1,123,668)	(950,437)	(578,619)
Profit for the year	4,115,142	3,799,393	1,991,127	2,390,223	1,473,574
Other comprehensive income – net of tax	44,981	296,238	(56,000)	(4,125)	(6,230)
Total comprehensive income	**4,160,123**	**4,095,631**	**1,935,127**	**2,386,098**	**1,467,344**

Per share data

	2017	2016	2015	2014	2013
Basic and diluted earnings per share (Naira)	8.23	7.60	3.98	4.78	2.95
Net asset per share (Naira)	50.29	42.95	35.16	31.91	27.51

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

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

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

Additional Information

1. Major Shareholders

	Number of Shares of 50 Kobo each	%
The following shareholders held more than 5% of the issued ordinary shares as at 31 December 2017:		
Frigoglass Industries (Nigeria) Limited	309, 391, 133	61.88
Frigoinvest Holdings B.V	40, 833, 131	8.17
Stanbic IBTC Nominees Nigeria Limited	39, 467,716	7.89

2 Registered range analysis

Range	No. of Holders	%	Units	%
1 - 5000	4,488	78.13	5,903,537	1.18
5,001 - 10000	533	9.27	3,602,945	0.72
10, 001 - 50000	542	9.44	10,588,420	2.12
50, 001- 100000	81	1.41	5,842,970	1.17
100, 001- 500000	78	1.36	15,513,630	3.10
500, 001 - 1000000	5	0.09	3,271,113	0.65
1, 000, 001 and above	17	0.30	455,249,385	91.06
Grand Total	**5,744**	**100.00**	**499,972,000**	**100.00**

3 Unclaimed dividends

Our records show that some dividend warrants have not been presented to the bank for payment.

Similarly, a number of share certificates posted to shareholders have also been returned to us by the post office.

Shareholders concerned are advised to contact the Cardinalstone (Registrars) Limited 358 Herbert Macaulay Way, Yaba, Lagos. Telephone nos.: (01) 4405107, 7924462
E-mail: registrars@cardinalstone.com

Share Capital History

The issued and fully paid up share capital of the Company as at December 31, 2017 was N249,986,000

The share capital had been progressively increased over the years as follows:

Date	Authorised Share Capital Increased		Issued and Fully Paid Up Share Capital Increase		Consideration
	From	To	From	To	
	N	N	N	N	
Nov 20, 1974	3, 000, 000	3, 000, 000	Cash	-	
Dec 13, 1974	3, 000, 000	5, 000, 000	3, 000, 000	5, 000, 000	Cash
Nov 25, 1975	5, 000, 000	6, 000, 000	5, 000, 000	6, 000, 000	Cash
Jul 23, 1977	6, 000, 000	6, 625, 000	6, 000, 000	6, 625, 000	Cash
Oct 2, 1980	6, 625, 000	14, 625, 000	6, 625, 000	14, 625, 000	Cash
Apr 19, 1984	14, 625, 000	20, 625, 000	14, 625, 000	20, 625, 000	Cash
Feb 23, 1990	20, 625, 000	35, 625, 000	20, 625, 000	34, 972, 250	Cash
May 24, 1994	35, 625, 000	80, 625, 000	34, 972, 250	79, 972, 250	Cash (Right Issue 3:2)
Sep 29, 1994	80, 625, 000	155, 625, 000	79, 972, 250	104, 972, 250	Bonus Issue 1 : 3
Sep 2, 1996	155, 625, 000	155, 625, 000	104, 972, 250	100, 000, 000	Pref Share Redemption
March 2, 1998	155, 625, 000	155, 625, 000	100, 000, 000	125, 000, 000	Bonus Issue 1 : 4
Jul 20, 1999	155, 625, 000	250, 000, 000	125, 000, 000	206, 600, 000	Merger of Delta & Guinea Glass
Feb 15, 2001	250, 000, 000	250, 000, 000	206, 600, 000	227, 260, 000	Bonus Issue 1 : 10
Apr 24, 2008	250, 000, 000	300, 000, 000	227, 260, 000	249, 986, 000	Bonus Issue 1 : 10

Contact

Beta Glass PLC

Registered office
Iddo House, Iddo, Lagos,
PO Box 159, Lagos

Phone: +234 1 7740844,
+234 1 2806700
Fax: +234 1 2806701

Works

Guinea Plant,
KM 32, Lagos Badagry Express Road,
Agbara Industrial Estate, Ogun State

Delta Plant,
KM 17, Warri-Patani Road, P.M.B 48,
Ughelli, Delta State

Notes

Proxy Form

This Proxy form should not be completed and sent to the address overleaf if the member will be attending the meeting personally. Before forwarding the above form, please tear off the part below and retain it for admission to the meeting.

I/We* ____

(BLOCK CAPITALS)

being a member of BETA GLASS PLC hereby appoint**
....

or failing him, **MR ABIMBOLA OGUNBANJO** or failing him, **MR DARREN BENNETT-VOCI** as my/our proxy to act and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, July 5, 2018 and any adjournment thereof.

Dated this .... day of 2018

Shareholder's Signature...

Note:
A member (shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote by proxy and this form has been prepared to enable you exercise your right to vote in case you cannot personally attend the meeting.

Following the normal practice, the names of two Directors of the Company have been entered on the form to ensure that someone will be at the meeting to act as your proxy. If you wish, you may insert in the blank space on the form (marked**) the name of any person, whether a member (shareholder) of the Company or not who will attend the meeting and vote on your behalf instead of one of the Directors.

Resolutions	For	Against
To elect Dr. Zulikat Wuraola Abiola as a Director		
To elect Ms. Oluwaseun Abimisola Oni as a Director		
To elect Ms. Olufunmilola Adefope as a Director		
To re-elect Mr. Haralambos (Harry) G. David as a Director		
To declare a Dividend		
To authorize the Directors to fix the remuneration of the Auditors		
To re-elect Prof. Caleb Adeniyi Osuntogun as a member of the Audit Committee		
To re-elect Chief Simeon Akinyemi Odubiyi as a member of the Audit Committee		
To approve the remuneration of the Directors		
To authorize the Company to procure goods and services necessary for its operations from related parties		

Please indicate with an "X" in the appropriate square how you want your vote to be cast on the resolutions set out above. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion

Admission Card

Beta Glass PLC (RC 13215)

This admission card must be produced by the Shareholder or his proxy in order to be allowed to attend the Annual General Meeting

Please admit

____

(SHAREHOLDER'S FULL NAME)

To be completed by shareholder or his duly appointed proxy to the Annual General Meeting of Beta Glass PLC which will be held at **Federal Palace Hotel, 6-8 Ahmadu Bello Way, Victoria Island, Lagos on Thursday, July 5, 2018 at 12.00 noon.**

Number of shares held:

(TO BE COMPLETED BY THE COMPANY'S OFFICIAL)

____

Bola Adebisi (Ms.) *Company Secretary*

Annual General Meeting

Beta Glass PLC (RC 13215)

An Annual General Meeting to be held Federal Palace Hotel, 6-8 Ahmadu Bello Way, Victoria Island, Lagos on Thursday, July 5, 2018, at 12.00 noon

Shareholder's Full name

____

(TO BE COMPLETED BY THE COMPANY'S OFFICIAL)

Signature of Person Attending

____

(TO BE SIGNED IN THE PRESENCE OF THE COMPANY'S OFFICIALS AT THE ENTRANCE TO THE HALL)

Number of shares held:

(TO BE COMPLETED BY THE COMPANY'S OFFICIAL)

Please affix postage stamp

CARDINALSTONE (REGISTRARS) LIMITED
358 HERBERT MACAULAY WAY
YABA, LAGOS

Electronic Delivery Mandate Form

I, Chief/Mr/Mrs ____

of ____

☐ hereby agree to the electronic delivery of Annual reports and other statutory documents of Beta Glass PLC by choosing the option below:

The Company should forward the materials to the following e-mail address:

Email address ____

Surname ______________________ First name ______________________

Signature ______________________ Date ______________________

Please fill and return the completed form to either:

The Managing Director
CardinalStone (Registrars) Limited
358 Herbert Macaulay Way
Yaba
Lagos

OR

The Company Secretary
Beta Glass PLC
Iddo House
Iddo
Lagos

Affix Current Passport

(To be stamped by Bankers)

Write your name at the back of your passport photograph

CARDINALSTONE REGISTRARS

E-DIVIDEND MANDATE ACTIVATION FORM

Instruction

Only Clearing Banks are acceptable

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

The Registrar,
CardinalStone Registrars, Limited
358, Herbert Macaulay Way, Yaba,
P. O. Box 9117, Marina, Lagos
Nigeria.

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

Bank Verification Number

Bank Name

Bank Account Number

Account Opening Date

Shareholder Account Information

Surname / Company's Name   First Name   Other Names

Address:

City   State   Country

Previous Address (If any)

CHN (If any)

Mobile Telephone 1   Mobile Telephone 2

Email Address

Signature(s)

Company Seal (If applicable)

Joint/Company's Signatures

TICK	NAME OF COMPANY	SHAREHOLDER'S ACCOUNT NO.
	ACORN PET. PLC	
	AFRIK PHAR MACEUTICALS PLC	
	AG HOMES SAVINGS & LOANS	
	AG LEVENTIS	
	ARBICO PLC	
	ASHAKACEM PLC	
	BANKERS WAREHOUSE	
	BETA GLASS	
	CAPITAL HOTEL PLC	
	ELLAH LAKES	
	EVANS MED PLC	
	FCMB BOND	
	FCMB GROUP PLC	
	FIDSON BOND	
	G. CAPPA PLC	
	GUINEA PLC	
	IMB ENERGY MASTER FUND	
	JOS INT. BREWERIES PLC	
	KOGI SAVINGS & LOAN LTD	
	LAFARGE AFRICA PLC	
	LAFARGE BOND	
	LAW UNION & ROCK PLC	
	LEGACY FUND	
	LIVESTOCK FEEDS PLC	
	MORISON PLC	
	MRS OIL PLC	
	NAHCO BOND	
	NAHCO PLC	
	NEWPAK PLC	
	N.G.C PLC	
	NGC STERILE	
	NPF MICROFINANCE BANK	
	NULEC INDUSTRIES PLC	
	OKOMU OIL PALM PLC	
	PREMIER PAINT PLC	
	REAN PLC	
	SKYE BANK PLC	
	TOTAL NIG. PLC	
	TRANEX PLC	
	WOMEN INVESTMENT FUND	

RC 13215

A Frigoglass Company