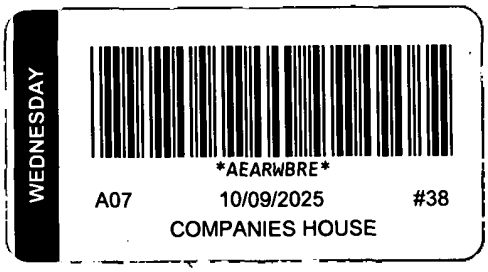
Encirc Limited

Registered No. NI030990

Annual report and financial statements
31 December 2024



ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended 31 December 2024

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COMPANY INFORMATION

DIRECTORS	S Murphy C Delclaux Zulueta R Gomez Merino J Schmitt Zalbide (resigned 20 September 2024)
SECRETARY	S Murphy
REGISTERED OFFICE	11 Gortahurk Road Tonymore Enniskillen BT92 9DD
REGISTERED NUMBER	NI 030990
AUDITORS	Ernst & Young LLP Bedford House 16 Bedford Street Belfast BT2 7DT
BANKERS	HSBC Ulster Bank Barclays
SOLICITORS	Pinsent Masons 3 Hardman Street Manchester M3 3AU

STRATEGIC REPORT
for the year ended 31 December 2024

The directors present their strategic report and the audited financial statements for the year ended 31 December 2024.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company's principal activities during the year were the manufacture of container glass and contract filling.

KEY PERFORMANCE INDICATORS (KPIs)

Significant progress continued to be made during the year on the company's overriding objectives. The board monitors progress on the overall group strategy and the individual strategic elements by reference to KPIs.

	2024	*2023*
Sales revenue (£'m)	606.0	601.6
Gross margin	17.1%	15.6%

On a constant currency basis, sales increased by 0.7% (2023: 35.3%), driven by higher sales volumes across both glass and contract filling activities. The expected revenue increase from additional sales was offset by reduced selling prices as reductions in input costs was passed through to customers.

Gross margin is the ratio of gross profit to revenue expressed as a percentage. On a comparable basis the gross margin increased from 15.6% to 17.1%, which was led by volume growth, and the mix of increased activity across glass and contract filling.

On 31 January 2023, the company acquired the business and manufacturing assets of a contract packaging facility in Bristol, England known as The Park, from Accolade Wines Limited. The comparative reported sales revenue reflects the 11 months activity since the acquisition date.

On 29 February 2024, the company acquired a 20% minority interest in the ordinary shares of Glassco Recycling Limited, the leading cullet processer in the Republic of Ireland, for a consideration price of €4.5 million. The acquisition was made to align to the company's objective of delivering supply chain solutions to its current and future customer base and to increase its recycled glass content in future production. The company assessed that it has significant influence over this entity given its representation in the entity's board of directors.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to competition from national competitors, business interruption & product liability, employee recruitment and retention, and financial risk. Measures are in place to mitigate these risks where possible.

COMPETITION

The company operates in a highly competitive market, particularly in terms of price and product availability, which results in fluctuations in our margins. In order to mitigate this risk, our sales team monitors market prices on an ongoing basis. Furthermore, we undertake routine market research to understand our customers' expectations to ensure their needs are being met.

STRATEGIC REPORT
for the year ended 31 December 2024 (Continued)

BUSINESS INTERUPTION AND PRODUCT LIABILITY
The company maintains a risk register, identifying keys risks to the company, and has implemented actions to mitigate and reduce such risk. The company has also taken out insurance policies across the business, which are deemed appropriate for a company of its size.

EMPLOYEE RECRUITMENT AND RETENTION
The company's performance depends largely on its employees. The growth of our business would not be possible without the skills, determination and experience of our people. The company also recognizes the value our employees add, and thus is committed to creating a stable and high-quality working environment for our employees. This is fundamental to attracting new talent to the business which will be of ever-growing importance.

The ability or otherwise to recruit people with the right experience and skills from the local community and the resignation of key individuals could adversely impact the company's results. To mitigate these issues the company has implemented various reward and benefit schemes that are designed to retain employees.

FINANCIAL RISK MANAGEMENT
The company's operations expose it to a variety of financial risks that include price, credit, liquidity and foreign exchange risk. The company has in place a risk management program that seeks to limit adverse effects on its financial performance.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Price risk
The company is exposed to commodity and utility price risk as a result of its operations, in particular from the significant use of energy in its furnaces. In order to mitigate this risk the company has a resource dedicated to energy/utility price management and engages the services of energy management consultants. Furthermore, the company enters into fixed price contracts and certain financial instruments to manage commodity prices.

Credit risk
The company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to individual customers is subject to limits, which are reassessed regularly by the board.

Foreign exchange risk
The operations of the company and its subsidiary are mainly in the UK and the Euro zone respectively and, as a result, it is primarily exposed to foreign exchange risk with respect to the Euro. As the company is part of an enlarged group of companies, which trades and is funded in Euro, the FX exposure is managed and mitigated within the group treasury function.

Liquidity risk
The company is funded primarily from cash generated from its own operations, but also avails of Group liquidity reserves if required.

Interest rate risk
The directors consider that, for the foreseeable future, the company has no significant exposure to interest rate risk.

STRATEGIC REPORT
for the year ended 31 December 2024 (Continued)

POST BALANCE SHEET EVENTS

There have been no post balance sheet events which require disclosure or changes to the results.

GOING CONCERN

The company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, details of its financial instruments and derivative activities, and its exposures to price, credit, liquidity and cash flow risk are described above and in the Directors' Report. The directors believe that the cash resources of the company and financing facilities in place are more than adequate for the future needs of the company and that the company is well placed to manage its business risks successfully.

In making their assessment, the directors have specifically considered inflation and fluctuations in commodity costs, and these forecasts extend to over 12 months (to 30 June 2026) from the date of signing these financial statements.

The company's financial forecasts and sensitivities for the period to 30 June 2026 show the company is expected to continue to be cash generative taking account of the anticipated changes in trading performance, including those risks identified above, and the effects of mitigating actions taken or available to the company, and it will continue to operate within its facilities and meet its obligations as they fall due for the period to 30 June 2026. Consequently, the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

STRATEGIC REPORT
for the year ended 31 December 2024 (Continued)

The following disclosure describes how the directors have had regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006 and forms the directors' statement required under section 414CZA of The Companies Act 2006.

Who? - Stakeholder group	Why?	How?	What?	Outcomes and actions
Workforce We consider our workforce as the combination of directly employed employees and those contractors who work for us, or on our sites for periods in excess of 3 months per year. Metrics include: • health and well being • safety and environmental • FTE's and productivity levels • total pay and reward • bonus performance metrics • employee engagement surveys • gender pay gap reporting • absence levels and staff turnover	The company's long-term success is predicated on the commitment of our workforce to our purpose and values. To maintain our competitive advantage and meet the growing demands of the environment in which we operate, we need a workforce which is adaptive and whose skill base constantly evolves. We also value workers with long-term practical experiences.	We engage with our workforce to ensure that we are fostering an environment that they are happy to work in and that best supports their well-being, and as a result our efficiency and productivity. We engage regularly with our workforce through various mediums: • team briefings • written communication • audio and visual noticeboards • through our *Workplace from Facebook* social media platform • town hall presentations and webcasts	Our engagement includes • business updates and company performance, with future outlooks • proposed changes and updates on working practices • health and safety performance metrics To maintain our leading position in the industry and competitiveness, the company offers apprenticeships and support for continued learning, as well as focused and dedicated training for specific roles. The company has and continues to recognise the need for a focus on health and wellbeing.	Feedback from employees is taken on board and is used to promote and drive future direction for employee engagement. As part of improvements in health and wellbeing the company • has implemented on-site gym facilities at Derrylin and Elton sites • has improved and upgraded canteen facilities and offerings at both production sites • promotes a coaching culture • through engagement with its employees has reduced working hours • improved safety measures in line with government issued guidance and best practice We have also launched our *Zero Harm* strategy to promote positive, proactive, and preventative interventions and interactions of everyone across all areas of the business that will influence and improve Health, Safety, Environment and Wellbeing for all our employees.
Customers Our customers include global brands who service the food and beverages industry. Metrics include: • customer retention • new customers • customer satisfaction surveys	We put internal and external customer needs first, demonstrating a strong commitment to meet their expectations.	We work in partnership with our customers, add value wherever possible, seek feedback and share our vision for success. We adapt to the diverse needs of our customers in alignment with our organisational goals.	We anticipate the needs of our customers, stay ahead of trends and deliver a consistently high quality service. In conjunction with a number of customers and Glass Futures we successfully completed further bio-fuel trials demonstrating the possibility of low carbon glass manufacture.	We offer a unique service to our customers through our 360 offering: • glass container manufacturing • contract filling services • bonded storage • consolidated loading • direct to retail logistics • value added services

STRATEGIC REPORT
for the year ended 31 December 2024 (Continued)

Who? - Stakeholder group	Why?	How?	What?	Outcomes and actions
Suppliers We have a broad range of suppliers who provide the raw materials or components that we use to create our products, as well as a number of service providers to contribute to the manufacturing and distribution process. Metrics include: • payment terms • inventory days • delivery on time in full (OTIF)	Our suppliers are integral to what we do and to our ongoing success. We use a number of external providers for essential skills and services we require in order to operate our business.	We work in partnership with our suppliers, building long, strong and sustainable relationships for mutual benefit. Whilst cost control is important, we place emphasis on quality, service and increasingly environmental impact.	We operate within and to • responsible procurement strategy • supplier code of conduct • agreed payment terms • performance • ethical standards and best practice In times of change, which in the past included Brexit and Covid 19, we engaged with our suppliers to ensure we manage the impacts collectively to ensure a smooth transition for all parties.	In assessing our existing and new suppliers, we consider: • production capability • quality of their offering • performance • risk • sustainable work practices • environmental impact • ethical aspects We have our supplier finance programme, with preferred rates to assist our suppliers in their working capital management.
Environment & community We consider the local and global environment and communities in which we operate as one of our stakeholders. Metrics include: • annual emissions in accordance with the UK ETS scheme • emissions compliance with local authorities • water consumption • CSR initiatives • local liaison committees	We know that having a sustainable business model has a direct impact on our social, environmental and economic standing. At Encirc, everything we do, from the way me make our products and provide our services, to the transportation methods we choose, to how we act as individuals, all links back to our 4 core pillars of responsible business: People, Place, Planet and Prosperity.	We will make effective use of resources, minimise wastage and promote safe and ethical working practices. We will role model sustainable processes and practices within our business and the wider industry we represent, sharing with and learning from our own employees, our suppliers, customers and the local community.	We will apply long-term sustainability thinking to the lifecycle of our employees, their wellbeing and the value of our products and practices, as well as being an active participant in our local communities. The company's Executive Team includes the role of Director of Sustainability to implement the long-term sustainable objectives of the company. In early 2023, the company successfully undertook a bio-fuel trial and used 100% recycled content to assess the possibility and viability of zero emissions glass production. We undertook further bio-fuel trials in Q1 2025 The company continues to explore commercially viable renewable energy sources to further develop its carbon reduction plans.	In addition to our 360 offering which reduces carbon by reduced road traffic movements, we have implemented a number of energy and carbon reducing measures: • our Derrylin plant changed from heavy fuel oil to natural gas • we operate a railhead for inbound materials to reduce road traffic • waste heat recovery programmes • implemented paperless offices Details of our emissions reporting and energy efficient activities can be found on page 10. The company continues to explore our *Furnaces of the Future*, which is reviewing alternative fuels types to include Hydrogen, bio-methane, bio-fuels, oxygen etcas part of its ambitious plans to create the world's first net zero glass bottles at scale by 2030.

STRATEGIC REPORT
for the year ended 31 December 2024 (Continued)

Who? - Stakeholder group	Why?	How?	What?	Outcomes and actions
Investors and shareholders Whilst we are not directly listed on a stock exchange, we recognise our parent company Vidrala S.A, and its investors and shareholders as stakeholders. Key performance metrics include: • revenue growth • gross margin • EBITDA value and margin • free cash flow generation • capex expressed as % of sales	Access to capital and support of our parent company is of vital importance to the long-term success of our business. Through our engagement activities, we strive to obtain investor buy-in into our strategic objectives and how we go about executing on them. We are seeking to promote an investor base that is interested in a long term holding in the company. Our ability to pay dividends is also important to Vidrala as part of their own dividend policy and treasury management activities.	We create value for our shareholders by generating strong and sustainable results. With the support and through our parent company, we partake and promote engagement through • board meetings • AGM's • investor days	In addition to routine engagement with shareholders on topics of strategy, governance and, performance, below are specific matters on which we engaged, and that influenced outcomes & actions. • Transformation from heavy fuel oil to natural gas at the Derrylin site • Increased capacity at the Elton site to deliver the largest container glass furnace in the world • Delivering improved efficiencies and promoting greater Health & Safety • Consideration of dividends declared and paid.	Cost competitiveness and reduced carbon footprint In 2020, we completed construction of a world-first Industry 4.0-Ready' glass production line Continuation of automation changes by implementing additional cobotic processes. Dividends paid during 2024 was £34.6m. (2023: £35.4m) The decision to pay dividends and the amounts is made after consideration of the distributable reserves and forecasts of future financial performance of the company.

STRATEGIC REPORT
for the year ended 31 December 2024 (Continued)

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

These climate-related financial disclosures have been prepared in accordance with the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 and Sections 414C, 414CA, and 414CB of the Companies Act 2006.

The company's strategy is set by the Executive Committee on behalf of the Board of Directors. This is led by the Sustainability Director who works with the board to agree the sustainability strategy and reviews potential risks through business risk management assessments and resulting action plans.

Climate related risks and opportunities are identified, presented and measured through sustainability forum reviews and processes. The sustainability committee work with key departments and applicable forums to identify, evaluate and measure climate related risks and opportunities. Decarbonisation is a core pillar in our sustainability strategy, and we have specific targets relating to emissions reduction.

Climate risks are managed through our management teams, which incorporate key risks into our business risk assessment and risk register as part of our continued sustainability strategies. The company operates a live rolling risk register which tracks the status of risks. When new risks are identified by management, a thorough assessment is made which considers the likelihood, together with the potential impact. The assessment is based on a range of both qualitative and quantitative factors, which are reviewed by the Executive Committee quarterly. All risks are then assigned an impact and likelihood risk scoring which allows for appropriate prioritisation of the risk, so that it can be managed and mitigated effectively.

Mitigation measures are identified for the current and future periods, with all risks assigned an ultimate owner, who is responsible for the development and implementation of effective mitigation plans. We expect that climate change will impact our business across the short, medium and long term:

- Short term 0-5 years
- Medium 6-10 years
- Long term > 10 years

Risks have been categorised into:

- Technological
- Market and supply chain
- Policy and legal
- Acute physical
- Chronic physical
- Reputation

The principal climate related risks relate to transitioning to net zero and the physical risks of climate change upon our supply chain and key raw materials. The physical risks of climate change include extreme weather events affecting our operations or supply chain. This could include floods, drought, growing conditions, food security etc., which are reviewed quarterly. As a glass supplier to the food and beverages sector, our business is reliant on agricultural products, which can be presented with the highest vulnerability to physical climate change and could present both risks and opportunities. As we transition towards our mission of net zero and a lower-carbon future, the impacts could include changes to climate related legislation and obligations impacting our sector as well as changing consumer and customer perceptions and preferences. We believe there are opportunities through customer and consumer desire for lower carbon products and services, through lightweighting, optimised supply chain, batch formulation, and new product development.

STRATEGIC REPORT
for the year ended 31 December 2024 (Continued)

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT (Continued)

In the coming year, we aim to refine our existing targets and objectives relating to climate related risks under a number of areas to include: energy, water, waste, packaging and procurement sourcing.

The company is engaging with its parent company and external specialists to support the company's strategy and to test different climate-related scenarios, including energy sourcing and changes in consumer demand across a range of potential outcomes.

Our sustainability group continues to meet to evaluate these scenarios and how they may impact the business, leading to action plans and risk mitigation plans to further consider and be prepared for these to ensure the business is on track for our carbon reduction targets.

As part of our decarbonisation journey, we have committed to comprehensive science-based emissions reduction targets, submitted to the Science-Based Targets Initiative (SBTi) which have being approved:

- Scope 1 & 2: 47% absolute reduction in Scope 1 & 2 GHG emissions by 2030 from a 2019 baseline (1.5°C aligned).
- Scope 3: 28% absolute reduction in Scope 3 GHG emissions by 2030 from a 2019 baseline (well below 2°C aligned).

Detailed targets and roadmaps are set at an individual manufacturing location level, by the colour of glass produced to actively target reductions through technological advancements, energy type, levels of recycled glass content and quality of raw materials used.

Greenhouse Gas emissions (GHG) are reported below under SECR disclosures. The company is on track with the milestones set within the roadmap to achieve the SBTi targets. Methodologies are currently in place to track performance and progress against these targets.

SECR DISCLOSURES

This statement has been prepared in accordance with the company's regulatory obligation to report greenhouse gas (GHG) emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 which implement the government's policy on Streamlined Energy and Carbon Reporting.

We quantify and report our organisational GHG emissions in alignment with the World Resources Institute's Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and in alignment with the Scope 2 Guidance.

2023 data includes emissions from our Bristol site, which was acquired on 31 January 2023.

STRATEGIC REPORT
for the year ended 31 December 2024 (Continued)

SECR DISCLOSURES (continued)

The breakdown of our emissions for the current reporting period, the previous reporting year, are shown in the table below (figures in the table are rounded to whole numbers):

GHG source	2024	2023 *(restated)*	2023 *(previously reported)*
Scope 1 Fuels (tCO_2e)	212,978	210,907	204,102
Scope 1 Vehicles fuels (tCO_2e)	606	562	2,852
Scope 1 Fugitive emissions (tCO_2e)	137	289	246
Scope 2 (Location-based) (tCO_2e)	50,404	48,953	43,038
Scope 2 (Market-based) (tCO_2e)	8,189	23,215	12,922
Scope 3 (Business travel) (tCO_2e)	1,066	893	377
Scope 3 (Waste) (tCO_2e)	4,090	3,086	719
Scope 3 (Water) (tCO_2e)	74	119	60
Total Scope 1 and 2 Emissions (Location-based)	264,125	260,125	250,238
Total Scope 1 and 2 Emissions (Market-based)	221,910	234,973	220,122

In 2024, we refined our emissions accounting methodology aligned with ISO14064 certification to incorporate more granular activity data and improve data quality across all scopes. As a result, figures from 2023 have been restated to ensure year-on-year comparability and consistency with our updated calculation approach.

Overall, our Scope 1 and 2 emissions (market-based) decreased by 5.6% in 2024 compared to 2023. This reduction was primarily driven by a significant decrease in Scope 2 market-based emissions, which dropped by 64.7% year-on-year. This was due to an increased share of renewable electricity in the network purchased at some of our sites.

In contrast, Scope 1 emissions increased slightly by 1%, largely due to higher stationary fuel consumption at some facilities. However, emissions from our owned vehicle fleet increased marginally reflecting higher fleet usage versus external third parties which mitigated underlying efficiency reductions. Fugitive emissions (refrigerant leakage) decreased by 52.7%, which we attribute to enhanced data collection and maintenance practices.

At our Elton and Bristol sites, we continue to purchase 100% renewable electricity. We are currently assessing how to extend this approach to our remaining sites in 2025, with the aim of further reducing market-based Scope 2 emissions.

Energy source	2024	2023
Fuels (MWh)	1,091,920	1,114,273
Vehicles (MWh)	12,360	11,928
Electricity (MWh)	199,805	207,840
Total Energy Consumption (MWh)	1,304,085	1,334,041
Fuels intensity (MWh/m^2)	1.544	1.513
Electricity intensity (MWh/m^2)	0.290	0.279

STRATEGIC REPORT
for the year ended 31 December 2024 (Continued)

SECR DISCLOSURES (continued)

Scope 1 emissions under the UK ETS scheme for our Derrylin and Elton sites are verified by Lucideon.

Total kWh consumption, fuels intensity and electricity intensity (kWh/m2) have all increased due to an increase in melted tonnes compared to 2023.

Energy efficient activities
Across our sites in the UK & Ireland, we continue to research the ability to use hydrogen and bio-methane in our manufacturing furnaces to create ultra-low-carbon glass bottles. We completed further successful trials using bio-fuel at our Derrylin site demonstrating the technical ability to use alternative fuel sources.

At our site in Elton, we continue to expand the use of our own railhead connection which enables us to bring nearly half of our raw materials to the site by rail – continuing our commitment to keeping thousands of trucks off the road annually and GHG emissions out of the atmosphere.

During 2024, we partnered with one of our logistics suppliers to ensure that glass produced at our Elton site in Cheshire would be transported to our filling hall in Bristol fuelled by hydrotreated vegetable oil (HVO). This followed a highly successful trial in 2023 when the company, used HVO instead of fossil fuels across its fleet, and this new partnership is predicted to lead to significant carbon savings. This cleaner alternative to diesel will also support the company scope 3 SBTi commitments.

Further enhancement of lighting systems and transitioning to LED lighting with smart controls, along with deploying AI-driven compressor management systems which resulted in reducing compressed air and natural gas usage, has reduced our electricity consumption. Continued improvements in raw material handling and moisture control has reduced energy consumption.

The above mentioned projects match the company's goal of providing sustainable and innovative solutions to its customers and supply chain. The company's commitment to environmental responsibility is at the core of its operations, driving them to continually improve and adopt greener practices within the business.

STRATEGIC REPORT
for the year ended 31 December 2024 (Continued)

SECR DISCLOSURES (continued)

Methodology
Encirc quantifies and reports its organisational GHG emissions in alignment with the World Resources Institute's Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and in alignment with the Scope 2 Guidance. Encirc consolidates its organisational boundary according to the operational control approach, which includes all assets that have an environmental impact over which Encirc has operational control. This means having full authority to introduce and implement operating policies.

The GHG sources that constituted Encirc's operational boundary for the year is below, along with the associated activity data sources:

- Scope 1: Direct emissions relating to operations controlled and managed by Encirc. This includes natural gas combustion, gas oil combustion, road fuel combustion within owned vehicles and fugitive emissions from refrigerants in air-conditioning equipment.
- Scope 2: Includes emissions from own consumption of purchased electricity. This is broken down into location-based and market-based.
  The Scope 2 Guidance requires that we quantify and report Scope 2 emissions according to two different methodologies ("dual reporting"): (i) the location-based method, using average emissions factors for the country in which the reported operations take place; and (ii) the market-based method, which uses the actual emissions factors of the energy procured.
- Scope 3: These are Encirc's indirect emissions. In 2024, we measured Business Travel which includes emissions from the transportation of employees for business-related activities owned or operated by third parties e.g., aircrafts, trains, hotel stays and car rental. We also included emissions from the disposal of waste and treatment of wastewater from our sites.

In some cases, where data is missing, values have been estimated using pro-rata calculations. The methodology of estimations is: - raw data is divided by the total days it covers. This is then multiplied by the number of days needed to be estimated e.g., 30 days for September.

The intensity ratios selected have been calculated by dividing our Scope 1 and 2 emissions (market-based) by total floor area (m2). These allow for comparison of energy efficiency performance over time.

On behalf of the board

S Murphy
Director

20 June 2025

DIRECTORS' REPORT
for the year ended 31 December 2024

The directors present their report and audited financial statements for Encirc Limited (registration number NI030990) for the year ended 31 December 2024.

RESULTS AND DIVIDENDS
The profit for the financial year after taxation amounted to £57.0m (2023: £46.6m).

During the year, the company paid dividends amounting to £34.6m (2023: £35.4m).

There have been no dividends paid between the balance sheet date and the date of signing the financial statements (2023: £nil).

FUTURE OUTLOOK
In the coming years, the directors plan to maximise the output from glass production, grow our share of the contract filling market and hence grow both turnover and profitability.

DIRECTORS
The directors who served the company during the year and up to the date of signing the financial statements were as follows:

S Murphy
C Delclaux Zuleuta
R Gomez Merino
J Schmitt Zalbide (resigned 20 September 2024)

POLITICAL CONTRIBUTIONS
There were no contributions made by the company during the year for political purposes.

EMPLOYEE ENGAGEMENT
The company actively engages with its employees through recognised trade unions and/or employee forums by:

- regular updates on the company and business performance through metrics and KPI's with which employees are familiar with;
- promoting and encouraging employee involvement through a culture of continuous improvement;
- consultation with employees or their representatives, where working conditions, pay and reward are impacted;

Employee engagement and outcomes is discussed further in the section 172(1) statement included in the Strategic Report on page 6.

DISABLED EMPLOYEES
Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

DIRECTORS' REPORT
for the year ended 31 December 2024 (continued)

ENVIRONMENTAL

The company declares itself firmly committed to protecting the environment. With this objective in mind, the company implements specific action plans in relation to emissions to the atmosphere, waste disposal, the consumption of raw materials, energy, water and noise. Glass manufacturing is an inherently energy-intensive process as melting furnaces are in operation 24 hours a day, 365 days a year. Given the industrial nature of the process, one of management's objectives is to reduce the associated environmental impact. In order to achieve this, specific investments are made to upgrade factory facilities and adapt them to the most efficient technological systems for reducing environmental impacts. Additionally, operating priorities are focused on intensifying the growing use of recycled products as the main raw material for manufacturing glass.

Further details of our environmental commitment, and advancement towards environmental efficiency is documented in detail in the Annual Sustainability Report of our parent company, Vidrala S.A., which is published on the Vidrala website, as well as in the statement of non-financial information contained in the Management Report of the Consolidated Financial Statements of Vidrala Group.

SECR DISCLOSURES

Energy usage and carbon emissions are of strategic importance to the company, and the company has disclosed the relevant information in the Strategic Report instead of the Directors' Report.

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the board

S Murphy
Director

20 June 2025

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with *United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard FRS 101 "Reduced Disclosure Framework " ("FRS 101").* Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- *select suitable accounting policies and then apply them consistently;*
- make judgments and estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in *FRS 101* is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance;
- in respect of the financial statements, state whether applicable *UK Accounting Standards, including FRS 101*, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report, directors' report, that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

On behalf of the board

S Murphy
Director

20 June 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENCIRC LIMITED

Opinion

We have audited the financial statements of Encirc Limited for the year ended 31 December 2024 which comprise the Income Statement, the Statement of comprehensive income, the Statement of changes in equity, the Balance Sheet and the related notes 1 to 29, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the period to 30 June 2026.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 16, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 101 and the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom. In addition, the company has to comply with laws and regulations relating to its operations, including in relation to health and safety, GDPR and the environment.
- We understood how Encirc Limited is complying with those frameworks by making inquiries of management to understand how the company maintains and communicates its policies and procedures in these areas. We corroborated our inquiries through reading board minutes and correspondence with relevant authorities.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by assuming revenue recognition and the absorption of overheads into stock to be fraud risks. Our testing of revenue included agreeing specific transactions to supporting invoices, delivery documents, customer contracts, and the receipt of payment in bank statements, and the testing of certain revenue journals and performing gross margin analysis. Our testing of the absorption of overheads into the valuation of stock included agreeing relevant key data used to supporting financial and production records, challenging management regarding key assumptions used, considering the reasonableness of the method or assumptions used and the costs included against the requirements of relevant accounting standards, recomputing management's calculations, analytical procedures and considering any changes in methods or assumptions from the prior year.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing journals identified by specific risk criteria. We read the minutes of Directors' meetings to identify any non-compliance with laws and regulations. We also made enquiries with the Directors and of management of the company regarding compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Michael Kidd (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Belfast

Date: 24 June 2025

INCOME STATEMENT
for the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Turnover	3	606,032	601,617
Cost of sales		(502,566)	(507,856)
Gross profit		103,466	93,761
Administrative expenses		(26,554)	(35,687)
Operating profit	4	76,912	58,074
Dividends from minority interest	5	158	-
(Loss) / gain on exchange	6	(1,187)	315
Interest receivable and similar income	8	3,023	820
Interest payable and similar expenses	9	(2,250)	(2,329)
Dividends from subsidiary undertaking	14	1,073	1,733
Profit before taxation		77,729	58,613
Taxation	10	(20,740)	(11,975)
Profit for the financial year		56,989	46,638

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Profit for the financial year		56,989	46,638
Other comprehensive income			
Items that can be reclassified to profit or loss:			
Fair value movement on energy derivatives		-	(248)
Movement on deferred tax relating to energy derivatives		-	62
Items that cannot be reclassified to profit or loss:			
Actuarial movement during the year	25	(289)	16
Movement of deferred tax relating to retirement benefits	10	28	(42)
Other comprehensive income net of tax		(261)	(212)
Total comprehensive income for the year		56,728	46,426

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2024

	Called up share capital £'000	*Share Premium £'000*	*Profit & loss account £'000*	*Total shareholder funds £'000*
At 1 January 2023	**284,658**	**163**	**88,598**	**373,419**
Total comprehensive income for the financial year	-	-	46,426	46,426
Dividends *(Note 22)*	-	-	(35,377)	(35,377)
At 31 December 2023	**284,658**	**163**	**99,647**	**384,468**
Total comprehensive income for the financial year	-	-	56,728	56,728
Share allotment *(Note 21)*	2	33	-	35
Dividends *(Note 22)*	-	-	(34,602)	(34,602)
Share based payments *(Note 29)*	-	-	436	436
At 31 December 2024	**284,660**	**196**	**122,209**	**407,065**

Called up share capital
The balance classified as share capital includes the nominal value of issued share capital.

Share premium
The share premium includes the premium received for share capital over its nominal value.

Profit and loss account
The profit and loss account includes the accumulated profit and losses less any dividends declared.

BALANCE SHEET
at 31 December 2024

	Note	2024 £'000	2023 £'000
FIXED ASSETS			
Intangible assets	13	30,944	34,572
Tangible assets	15	336,953	349,781
Financial assets	14	3,854	-
		371,751	384,353
CURRENT ASSETS			
Stocks	16	73,961	98,708
Debtors amounts falling due within one year	17	148,287	118,457
Cash at bank and in hand		55,320	47,167
		277,568	264,332
Creditors: amounts falling due within one year	18	(157,961)	(185,469)
NET CURRENT ASSETS		119,607	78,863
TOTAL ASSETS LESS CURRENT LIABILITIES		491,358	463,216
Creditors: amounts falling due after more than one year	19	(43,122)	(47,168)
Provisions for liabilities	10	(43,137)	(33,657)
Net assets excluding pension assets		405,099	382,391
Pension assets	25	1,966	2,077
Net assets including pension assets		407,065	384,468
CAPITAL AND RESERVES			
Called up share capital	21	284,660	284,658
Share premium		196	163
Profit and loss account		122,209	99,647
Total shareholders' funds		407,065	384,468

Approved on behalf of the Board of Encirc Limited, (registration number NI030990) on 20 June 2025

S Murphy
Director

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS 101

The financial statements of Encirc Limited (the 'company') for the year ended 31 December 2024 were authorised for issue by the board of directors on 20 June 2025 and the balance sheet was signed on the board's behalf by S Murphy. The company is incorporated and domiciled in the United Kingdom.

These financial statements are prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and applicable accounting standards. The company's financial statements are presented in Sterling and all values are rounded to the nearest thousand except when otherwise indicated. The principal accounting policies adopted by the company are set out in note 2.

The company has taken advantage of the exemption under s401 of the Companies Act 2006 not to prepare group accounts, as it is a wholly owned subsidiary of Vidrala S.A. which prepares group accounts as indicated in note 24.

2. ACCOUNTING POLICIES

(a) Basis of preparation

The company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, details of its financial instruments and derivative activities, and its exposures to price, credit, liquidity and cash flow risk are described in the Strategic Report and the Directors' Report. The directors believe that the cash resources of the company and financing facilities in place are more than adequate for the future needs of the company and that the company is well placed to manage its business risks successfully.

In making their assessment, the directors have specifically considered inflation and fluctuations in commodity costs, and these forecasts extend to over 12 months (to 30 June 2026) from the date of signing these financial statements.

The company's financial forecasts and sensitivities for the period to 30 June 2026 show the company is expected to continue to be cash generative taking account of the anticipated changes in trading performance, including those risks identified above, and the effects of mitigating actions taken or available to the company, and it will continue to operate within its facilities and meet its obligations as they fall due for the period to 30 June 2026. Consequently, the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

2. ACCOUNTING POLICIES (continued)

(a) Basis of preparation (continued)

The company has taken advantage of the following disclosure exemptions under FRS 101:

(a) the requirements of IFRS 7 Financial Instruments: Disclosures,
(b) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement.
(c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  (i) paragraph 79(a) (iv) of IAS 1;
  (ii) paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
  (iii) paragraph 118(e) of IAS 38 Intangible Assets;
(d) the requirements of paragraphs 10(d), 16, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
(e) the requirements of IAS 7 Statement of Cash Flows;
(f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
(g) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
(h) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
(i) the requirements of paragraphs 110, 113 (a), 114, 118, 119 (a) - (c), 120 – 127, 129 of IFRS 15 Revenue from Contracts with Customers; and
(j) the requirements of paragraphs 52 and 58 of IFRS 16 Leases.

(b) Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

In the course of preparing the company's financial statements, no judgements have been made in the process of applying the company's accounting policies, other than in respect of those involving estimates as below. The following judgements involving estimates have had the most significant effect on amounts recognised in the financial statements:

i. Useful lives of Property, Plant and Equipment

The company reviews the estimated useful lives and residual values of property, plant and equipment annually. The assets are depreciated over their estimated useful lives to their residual values. Given the significance of the carrying values of property, plant and equipment to the company's financial position, relatively small changes in estimated useful lives could have a material effect on the company's financial statements. Details of the useful lives assigned to the company's property, plant and equipment is included in note 2(d). The carrying values of such assets are included in note 15.

2. ACCOUNTING POLICIES (Continued)

ii. Pension benefits

The cost of defined benefit pensions is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population of bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates for the respective country. Further details are given in note 25.

(c) Adoption of new standards

There are no new standards or amendments materially impacting the Company for the year ended 31 December 2024.

(d) Significant accounting policies

Revenue recognition

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

Revenue from both the manufacture of container glass and contract filling is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the glass container or on the filling of a container with the customer's product.

While the performance obligation is satisfied upon delivery of glass container or filling of a container with the customer's product, payment is generally due within 14 to 90 days from delivery or filling, with the related amount recognised as a trade debtor until payment is received from the customer.

All revenue recognised in the year relates to performance obligations satisfied in the year.

The Company has no material contract assets or liabilities.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

2. ACCOUNTING POLICIES (Continued)

(d) Significant accounting policies (continued)

Foreign currencies
The company's financial statements are presented in sterling, which is also the company's functional currency.

Transactions in foreign currencies are initially recorded in the company's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exceptional items
Items that are material in size, unusual or infrequent in nature are included within profit or loss and disclosed separately as exceptional items in the income statement or the notes to the financial statements. The separate reporting of exceptional items, which are presented as exceptional within the relevant category in the income statement, helps provide an indication of the company's underlying business performance.

Intangible assets - CO^2 emission allowances
Emission allowances are recognised when the company becomes entitled to such allowances and are measured at cost, less accumulated impairment losses. Allowances acquired free of charge or at a price substantially lower than fair value are carried at fair value, which generally coincides with the market value of the allowances at the beginning of the relevant calendar year. The excess between this value and, where applicable, the payment made for the allowance is credited to government grants under deferred income. Amounts recognised under government grants are taken to income statement in accordance with the emissions made as a percentage of total emissions forecast for the entire period for which they have been allocated, irrespective of whether the previously acquired allowances have been sold or impaired.

Expenses generated by the emission of greenhouse gases are recognised in line with the use of emission allowances allocated or acquired as these gases are emitted during the production process, with a credit to the corresponding provision.

Emission allowances recognised as intangible assets are not amortised but written off against the corresponding provision upon delivery to the authorities to cancel the obligations assumed. The company derecognises emission allowances at weighted average cost.

Software development
The cost of acquiring or developing computer software is capitalised and amortised on a straight-line basis over the directors' estimate of its useful economic life which is between 5 and 10 years. Costs that qualify for capitalisation include both internal and external costs but are limited to those that are directly related to the specific software development project. The carrying value of computer software is reviewed for impairment where events or changes in circumstances indicate that the carrying value may not be recoverable.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

2. ACCOUNTING POLICIES (Continued)

(d) Significant accounting policies (continued)

Right-of-use assets

The company leases various premises, forklifts, motor vehicles and equipment. Rental contracts are typically made for fixed periods and can span for months or years.

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

Payments associated with short-term leases of premises, equipment and vehicles and all leases of low value assets are recognised on a straight-line basis as an expense in the profit and loss. Short term leases are leases with a lease term of 12 months or less. Low value assets primarily comprise of IT and office equipment.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises the aggregate amount paid, and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended. Borrowing costs directly attributable to assets under construction and which meet the recognition criteria in IAS 23 are capitalised as part of the cost of that asset.

Depreciation is provided on property, plant and equipment, other than land, on a straight-line basis over its expected useful life (in years) as follows:

Buildings	50
Furnaces, installations and production machinery	8 - 16
General installations	10 - 30
Furniture	6 - 12
Other plant and equipment	8 - 12
Moulds	Usage basis

The carrying values of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset is included in the income statement in the period of de-recognition.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

2. ACCOUNTING POLICIES (Continued)

(d) Significant accounting policies (continued)

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include lease payments less any lease incentives receivable. In calculating the present value of lease payments, the Company uses the interest rate implicit in the lease or the Company's incremental borrowing rate at the lease commencement date if the intertest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments).

Impairment of non-financial assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

For assets where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation, had no impairment losses been recognised for the asset or cash generating unit in prior years. A reversal of impairment loss is recognised immediately in the income statement.

Investments

Investments in subsidiaries and associate are held at historical cost less any applicable impairment provision. An associate is an entity in which the Company has significant influence, but not control or joint control, over the financial and operating policies. Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Government grants

Grants are recognised when it is reasonable to expect that the grants will be received and that all related conditions will be met, usually on submission of a valid claim for payment. Government grants in respect of capital expenditure are credited to a deferred income account and are released as income by equal annual amounts over the expected useful lives of the relevant assets (see note 20).

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition as follows:

- Raw materials - purchase cost on a weighted average cost basis
- Work in progress, finished goods and goods for resale - cost of direct materials and labour plus attributable overheads based on a normal level of activity, excluding borrowing costs.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

2. ACCOUNTING POLICIES (Continued)

(d) Significant accounting policies (continued)

Financial Instruments

(i) Financial assets

Initial recognition and measurement

Financial assets are classified at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI) or fair value through profit or loss. Currently the Company does not have any financial assets that are not measured at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them. At initial recognition the Company measures financial assets at fair value plus (in the case of a financial asset not at fair value through profit or loss) transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent measurement

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

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

Financial assets at amortised cost are subsequently measured using the effective interest rate method (EIR). Gains and losses are recognised in profit or loss when the asset is derecognised.

The Company's financial assets at amortised cost includes include cash at bank and in hand, trade debtors, other debtors and amounts owed by group undertakings.

Impairment of financial assets

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

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

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

2. ACCOUNTING POLICIES (Continued)

(d) Significant accounting policies (continued)

Financial Instruments (continued)

Impairment of financial assets (continued)

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

De-recognition of financial assets

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

(ii) Financial liabilities

The company's financial liabilities include trade creditors, other creditors, accruals and amounts owed to group undertakings which are classified as loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge if appropriate.

Initial recognition and measurement

Obligations for loans and borrowings are recognised when the company becomes party to the related contracts All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities classified as interest bearing loans and borrowings is as follows:

- After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.
- Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

De-recognition of financial liabilities

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in the income statement.

2. ACCOUNTING POLICIES (Continued)

(d) Significant accounting policies (continued)

Income taxes
Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the exception that deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

Pensions
The company operates a defined benefit pension plan which is managed as a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligations) and is based on actuarial advice.

Past service costs are recognised in profit or loss on a straight-line basis over the vesting period or immediately if the benefits have vested. When a settlement (eliminating all obligations for benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs, the obligation and related plan assets are re-measured using current actuarial assumptions and the resultant gain or loss recognised in the income statement during the period in which the settlement or curtailment occurs.

Net interest is determined by multiplying the net defined benefit liability by the discount rate, both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in the income statement as other finance revenue or cost. Re-measurements are recognised in full in other comprehensive income in the period in which they occur.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

2. ACCOUNTING POLICIES (Continued)

(d) Significant accounting policies (continued)

Pensions (continued)

Net interest is determined by multiplying the net defined benefit liability by the discount rate, both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in the income statement as other finance revenue or cost. Re-measurements are recognised in full in other comprehensive income in the period in which they occur.

The defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is restricted to the present value of any amount the company expects to recover by way of refunds from the plan or reductions in the future contributions.

Contributions to defined contribution schemes are recognised in the income statement in the period in which they become payable.

Hedge Accounting
The Company uses derivative financial instruments, such as energy price swaps to hedge its commodity price risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Company energy price swaps have been classified as cash flow hedges.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The hedge documentation includes identification of the hedged instrument, the hedged item, the nature of the risk being hedged and how the company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risks does not dominate the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the company actually hedges and the quantity of the hedging instrument that the company actually uses to hedge that quantity of the hedged item.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

2. ACCOUNTING POLICIES (Continued)

(d) Significant accounting policies (continued)

Hedge Accounting (continued)

The Company recognises the portion of the gain or loss on the measurement at fair value of a hedging instrument that is determined to be an effective hedge in other comprehensive income. The ineffective portion and the specific component of the gain or loss or cash flows on the hedging instrument, excluding the measurement of the hedge effectiveness, are recognised with a debit or credit to finance costs or finance income. The Company recognised in profit or loss amounts accounted for in other comprehensive income in the same year or years during which the forecast hedged transaction affects profit or loss and in the same caption of the income statement.

Business Combinations
Business combinations are accounted for using the acquisition method as at the date of acquisition. In accordance with IFRS 3 Business Combinations, the fair value of consideration paid for a business combination is measured as the aggregate of the fair values at the date of exchange of assets given and liabilities incurred or assumed in exchange for control.

The assets, liabilities and contingent liabilities of the acquired entity are measured at fair value as at the acquisition date. When the initial accounting for a business combination is determined, it is done so on a provisional basis with any adjustments to these provisional values made within 12 months of the acquisition date and are effective as at the acquisition date.

To the extent that deferred contingent consideration is payable as part of the acquisition cost and is payable after one year from the acquisition date, the deferred contingent consideration is discounted at an appropriate interest rate and, accordingly, carried at net present value (amortised cost) in the Balance Sheet. The discount component is then unwound as an interest charge in the Income Statement over the life of the obligation. Where a business combination agreement provides for an adjustment to the cost of a business acquired contingent on future events, other than put options held by non-controlling interests, the company accrues the fair value of the additional consideration payable as a liability at acquisition date. This amount is reassessed at each subsequent reporting date with any adjustments recognised in the Income Statement. If the business combination is achieved in stages, the fair value of the acquirer's previously held equity interest in the acquiree is re-measured at the acquisition date through the Income Statement or the Statement of Other Comprehensive Income.

For each business combination, the company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction costs are expensed to the Income Statement as incurred.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

2. ACCOUNTING POLICIES (Continued)

(d) Significant accounting policies (continued)

Goodwill
Goodwill arises on business combinations and represents the difference between the fair value of the consideration and the fair value of the company's share of the identifiable net assets of a subsidiary or assets acquired at the date of acquisition.

The company measures goodwill at the acquisition date as:
- the fair value of the consideration transferred; plus
- the recognised amount of any non controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

As at the acquisition date, any goodwill acquired is allocated to each of the cash generating units expected to benefit from the combination's synergies. The cash generating units represent the lowest level within the company which generate independent cash inflows.

Goodwill is subject to impairment testing on an annual basis and at any time during the year if an indicator of impairment is considered to exist. The goodwill impairment tests are undertaken at a consistent time each year. Impairment is determined by assessing the recoverable amount of the cash generating unit to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than the carrying amount, an impairment loss is recognised in the Income Statement. Impairment losses arising in respect of goodwill are not reversed following recognition.

3. TURNOVER

No analysis of turnover is presented, as the company considers that this would be seriously prejudicial to its interests.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

4. OPERATING PROFIT

	2024 £'000	2023 £'000
This is stated after charging/(crediting):		
Staff costs *(note 11)*	115,447	103,601
Amortisation of intangible assets (within cost of sales)	1,279	1,706
Depreciation of tangible assets		
- owned assets property, plant and equipment	37,889	33,958
- right of use assets	3,665	3,573
Amortisation of government grant within cost of sales	(505)	(505)
Amortisation of other long term creditors	(61)	(61)

5. ACQUSITION OF MINORITY INTEREST

On 29 February 2024, the company acquired a 20% minority interest in the ordinary shares of Glassco Recycling Limited, the leading cullet processer in the Republic of Ireland, for a consideration price of €4.5 million. The acquisition was made to align to the company's objective of delivering supply chain solutions to its current and future customer base and to increase its recycled glass content in future production. The company assessed that it has significant influence over this entity given its representation in the entity's board of directors. The registered office of Glassco Recycling Limited is Unit 4 Osberstown Business Park, Carragh Road, Naas, Kildare, Ireland.

During the year the company received a dividend of €190,000, which equated to £157,506 in respect of its minority interest. (2023: £Nil)

6. OTHER FINANCING INCOME

	2024 £'000	2023 £'000
Exchange (loss)/ gain on loan from group undertaking	(1,187)	315

7. AUDITORS' REMUNERATION

The company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the company.

	2024 £'000	2023 £'000
Audit of the financial statements	120	112
Other assurance services	-	-

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

8.	INTEREST RECEIVABLE AND SIMILAR INCOME	*2024* *£'000*	*2023* *£'000*
	Interest receivable from a group company	801	-
	Financial income on pension assets *(Note 25)*	509	447
	Other interest	1,713	373
		3,023	820

9.	INTEREST PAYABLE AND SIMILAR EXPENSES	*2024* *£'000*	*2023* *£'000*
	Interest payable to a group company	-	54
	Lease interest, including IFRS 16 impact	1,800	1,797
	Bank interest	49	114
	Financial expense on pension liabilities *(Note 25)*	401	364
		2,250	2,329

10.	TAXATION	*2024* *£'000*	*2023* *£'000*
(a)	***Tax charged in the income statement***		
	Current income tax		
	UK corporation tax	14,778	12,736
	Adjustments in respect of prior year	(3,546)	(187)
	Total current income tax charge	11,232	12,549
	Deferred tax		
	Origination and reversal of temporary differences	4,593	(196)
	Adjustments in respect of prior periods	4,915	(378)
	Total deferred tax charge / (credit)	9,508	(574)
	Tax expense in the income statement	20,740	11,975

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

10. TAXATION (Continued)

(b) *Reconciliation of the total tax charge*

The tax expense in the income statement for the year differs from the (weighted) standard rate of corporation tax in the United Kingdom of 25% (2023: 23.5%). The differences are reconciled below:

	2024 £'000	*2023* £'000
Accounting profit before income tax	77,729	58,613
Tax calculated at weighted standard rate of corporation tax in the UK of 25.0% (2023: 23.5%)	19,432	13,774
Expenses not deductible for tax purposes, net of RDEC claims	(148)	(93)
Timing differences	355	(734)
Non taxable dividends received	(268)	(407)
Adjustments in respect of prior periods	1,369	(565)
Total tax expense reported in the income statement	20,740	11,975

(c) *Deferred tax*

	2024 £'000	*2023* £'000
Deferred tax liability		
Accelerated capital allowances	(44,500)	(35,102)
In relation to retirement benefits	(491)	(519)
	(44,991)	(35,621)
Deferred tax asset		
Short term temporary differences	1,854	1,964
	1,854	1,964
Disclosed on the balance sheet		
Deferred tax liability	(43,137)	(33,657)

The weighted corporation tax rate in the United Kingdom is 25.0%. The rate for the comparable period was 23.5% for the calendar year 2023 arising from the rate change from 19% to 25% on 1 April 2023.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

11. STAFF COSTS

	2024 *£'000*	*2023* *£'000*
Wages and salaries	100,755	91,284
Social welfare costs	10,272	9,029
Pension costs	3,984	3,288
Share based payments *(Note 29)*	436	-
	115,447	103,601

Included in pension costs are £70,000 (2023: £70,000) in respect of the defined benefit scheme and £3,914,000 (2023: £3,218,000) in respect of the defined contribution scheme.

The average monthly number of employees during the year was comprised as follows:

	2024 *No.*	*2023* *No.*
Senior management	12	12
Middle management	234	227
Administration	262	234
Operatives	1,469	1,435
	1,977	1,908

12. DIRECTORS' REMUNERATION

	2024 *£'000*	*2023* *£'000*
Aggregate emoluments	492	947
Pension contributions	5	16
	497	963

The aggregate emoluments of the highest paid Director included above were £401,000, (2023: £600,000), and pension contributions of £5,000 (2023: £Nil).

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

13. INTANGIBLE ASSETS

	Software development	*CO^2 emission allowance*	Goodwill	*Total*
	£'000	*£'000*	£'000	*£'000*
Cost:				
At 1 January 2024	16,070	24,056	1,912	42,038
Additions	3,373	8,602	-	11,975
Re-classified from tangible assets	328	-	-	328
Disposals	(5,139)	(14,652)	-	(19,791)
At 31 December 2024	14,632	18,006	1,912	34,550
Amortisation and impairment:				
At 1 January 2024	7,466	-	-	7,466
Provided during the year	1,279	-	-	1,279
Disposals	(5,139)	-	-	(5,139)
At 31 December 2024	(3,606)	-	-	(3,606)
Net book value:				
At 31 December 2024	11,026	18,006	1,912	30,944
At 31 December 2023	8,604	24,056	1,912	34,572

Software development costs include certain costs that relate to certain assets still under construction.

14. FINANCIAL ASSETS

	2024	*2023*
	£'000	*£'000*
Investment in subsidiaries	-	-
Investment in minority interest *(Note 5)*	3,854	-
	3,854	-

Investments in subsidiaries
The company holds the one €1 issued share of its subsidiary, Encirc Distribution Limited, a company incorporated in the Republic of Ireland, which is engaged in the provision of warehousing services. The registered office of Encirc Distribution Limited is Scotchtown, Ballyconnell, Co. Cavan, Ireland.

On 17 December 2024, a dividend of €1,300,000 (£1,073,215) was approved by the Board of Encirc Distribution Limited in respect of the one ordinary share held by the company (2023: €2,000,000 (£1,733,200).

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

15. TANGIBLE ASSETS

	Land and buildings £'000	*Moulds* £'000	*Technical installations & Machinery* £'000	*Office equipment and furniture* £'000	*Assets under construction* £'000	*Right of use assets* £'000	*Total* £'000
Cost:							
At 1 January 2024	107,756	46,208	387,849	4,538	14,697	40,799	601,847
Additions	21	4,238	7,070	50	18,227	-	29,606
Transfers	677	-	4,547	(361)	(4,863)	-	-
Reclassified as intangible	-	-	-	-	(328)	-	(328)
Disposals	-	(552)	(984)	(878)	-	-	(2,414)
At 31 December 2024	108,454	49,894	398,482	3,349	27,733	40,799	628,711
Depreciation and impairment:							
At 1 January 2024	26,263	30,952	189,605	1,655	-	3,591	252,066
Provided during the year	3,071	3,025	31,208	585	-	-	37,889
Amortisation of lease	-	-	-	-	-	3,665	3,665
Disposals	-	-	(984)	(878)	-	-	(1,862)
At 31 December 2024	29,334	33,977	219,829	1,362	-	7,256	291,758
Net book value:							
At 31 December 2024	79,120	15,917	178,653	1,987	27,733	33,543	336,953
At 31 December 2023	81,493	15,256	198,244	2,883	14,697	37,208	349,781

Included within technical installations and machinery are leased assets related to vehicles and forklifts held under hire purchase or lease agreements with a net book value of £Nil (2023: £Nil). Depreciation in the year amounted to £Nil (2023: £Nil). The original cost of these assets was £3,260,000 with accumulated depreciation of £3,260,000 (2023: £3,260,000 and £3,260,000 respectively).

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

16. STOCKS

	2024 £'000	2023 £'000
Raw materials and consumables	29,704	33,646
Work in progress	708	512
Finished goods and goods for resale	43,549	64,550
	73,961	98,708

17. DEBTORS: amounts falling due within one year

	2024 £'000	2023 £'000
Trade debtors	103,852	109,136
Amounts owed by group undertakings	28,999	346
Corporation tax	8,853	4,954
Prepayments and other debtors	6,583	4,021
	148,287	118,457

Trade debtors are non-interest bearing and are generally on terms of 30 to 90 days. Amounts owed by group undertakings are interest bearing and are expected to be settled within one year. There were no material impairments of contract assets, including trade debtors, during the current or prior year.

18. CREDITORS: amounts falling due within one year

	2024 £'000	2023 £'000
Trade creditors	93,459	121,810
Amounts owed to group undertakings	3,763	4,262
Other taxes and social security costs	10,734	10,506
Lease liabilities *(note 23)*	3,809	3,284
Deferred income *(note 20)*	505	505
Accruals and other creditors	45,691	45,102
	157,961	185,469

19. CREDITORS: amounts falling due after more than one year

	2024 £'000	2023 £'000
Deferred income *(note 20)*	2,767	3,272
Other creditors	9,137	9,199
Lease liabilities *(note 23)*	31,218	34,697
	43,122	47,168

Other creditors includes a dilapidations provision in respect of leasehold properties.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

20. DEFERRED INCOME

	2024 £'000	2023 £'000
At beginning of year	3,777	4,282
Amortisation during the year	(505)	(505)
At end of year	3,272	3,777
Not later than one year	505	505
After one year but not more than five years	873	1,286
After five years	1,894	1,986

Deferred income relates to government grants. Following a review, the timing and release of government grants over future years has been aligned to the remaining useful lives of associated assets.

21. AUTHORISED AND ISSUED SHARE CAPITAL

	2024 £'000	2023 £'000
Allotted, called up and fully paid:		
284,658,338 Ordinary shares of £1 each	284,658	284,658
2,000,000 Deferred shares of £0.0001 each	-	-
1,000,000 A1 Ordinary shares of £0.0001 each	-	-
1,000,000 A2 Ordinary shares of £0.0001 each	-	-
1,000,000 C1 Ordinary shares of £0.001 each	1	-
1,000,000 C2 Ordinary shares of £0.001 each	1	-
	284,660	284,658

On 17 January 2024, a resolution was passed that the 1,000,000 A1 ordinary shares of £0.0001 each (the "A1 Shares") and 1,000,000 A2 ordinary shares of £0.0001 each (the "A2 Shares") in the capital of the Company together be converted into 2,000,000 deferred shares of £0.0001 each in the capital of the Company (the "Deferred Shares"), and that the Deferred Shares have the rights contained in the Company's articles of association adopted.

On 17 January 2024, a resolution was passed authorising 1,000,000 C1 and 1,000,000 C2 ordinary shares at a par value of £0.001 per share for a total consideration of £10,000 and £25,000 respectively. The C1 and C2 ordinary shares do not carry any voting rights, are not redeemable, but do carry the right to participate in any dividend declared by the company. The C1 and C2 ordinary shares also carry the right to participate in a distribution (including on winding up) pari passu with each other, and in priority to the ordinary shares of the company, as set out in the Articles of the company.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

22. DIVIDENDS PAID

	2024 £'000	2023 £'000
Declared and paid per ordinary share during the year		
Interim dividend of £0.1215571 on 17 December 2024	34,602	-
Interim dividend of £0.1242806 on 23 December 2023	-	35,377
	34,602	35,377

There have been no dividends paid since the balance sheet date.

23. LEASING ARRANGEMENTS

The company leases various premises, forklifts, motor vehicles and equipment. Rental contracts are typically made for fixed periods which can span for month or years. Right of use assets are measured at cost comprising of the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and restoration costs.

Payments associated with short-term leases of premises, equipment and vehicles and all leases of low value assets are recognised on a straight-line basis as an expense in the profit and loss. Short term leases are leases with a lease term of 12 months or less. Low value assets primarily comprise of IT and office equipment.

Right of use assets:	2024 £'000	2023 £'000
Premises,	32,854	36,483
Forklifts and motor vehicles	689	725
	33,543	37,208

Lease liabilities :

Current	3,809	3,284
Non current	31,218	34,697
	35,027	37,981

Future lease payments:

Within one year	3,809	3,284
Later than one year, but not more than five years	14,100	14,648
Later than five years	17,118	20,049
	35,027	37,981

24. GROUP UNDERTAKING

The company's immediate parent undertaking and controlling party is Inverbeira Sociedad de Promoción de Empesas, S.A. a company incorporated in Spain. The company's ultimate parent undertaking and controlling party is Vidrala S.A., a company incorporated in Spain.

The parent undertaking of both the smallest and largest group of undertakings of which the company is a member and for which group financial statements are drawn up is Vidrala S.A., a Company incorporated in Spain. Copies of its group financial statements are available to the public from its registered office at Barrio Munegazo, 22. 01400 Llodio (Alava), Spain.

25. PENSIONS AND POST-EMPLOYMENT BENEFITS

The Company sponsors the Encirc Pension Plan, a funded defined benefit pension plan in the UK. The Plan is administered within a trust which is legally separate from the Company. Trustees are appointed by both the Company and the Plan's membership and act in the interest of the Plan and all relevant stakeholders, including the members and the Company. The Trustees are also responsible for the investment of the Plan's assets. The main priority of the Trustees when considering the investment policy is to ensure that promises made about members' pensions may be fulfilled.

The Plan provides pensions and lump sums to members on retirement and pensions to their dependants on death. Members who left service before retirement are entitled to a deferred pension. The Plan closed to future accrual on 31 August 2014 and all Plan members who were actives at that date became deferred pensioners.

Responsibility for making good any deficit within the Plan lies with the Company and this introduces a number of risks for the Company. The major risks are: interest rate risk; inflation risk; investment risk; and longevity risk. The Company and the Trustees are aware of these risks and manage them through appropriate investment and funding strategies. The Trustees manage governance and operational risks through a number of internal controls policies, including a risk register.

The Plan is subject to regular actuarial valuations which are usually carried out every three years. These actuarial valuations are carried out in accordance with the requirements of the Pensions Act 2004 and so include deliberate margins for prudence. This contrasts with these accounting disclosures, which are determined using best-estimate assumptions. The most recently completed actuarial valuation of the plan was completed with an effective date of 31 December 2023. A recovery plan is not deemed necessary based on the lates valuation.

The valuation of the Plan's liabilities, undertaken at 31 December 2024 based on the market conditions at 30 November 2024. for the purposes of IAS 19 disclosures has been carried out using full membership data as at 31 December 2023 with approximate allowance for membership movements to the measurement date. The figures in the following disclosure were measured using the "Projected Unit" method.

25. PENSIONS AND POST-EMPLOYMENT BENEFITS (Continued)

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

	2024	*2023*
	£'000	*£'000*
Present value of Plan Liabilities	(8,341)	(7,829)
Fair value of Plan assets	10,307	9,906
Funded status	1,966	2,077
Restriction on asset recognised	-	-
Net amount recognised at year end	1,966	2,077
(before any adjustment for deferred tax)		

The amounts recognised in comprehensive income are:

The past service costs, settlements and curtailments, together with the net interest expense for the year are included in the employee benefits expense in the statement of comprehensive income. Remeasurements of the net defined benefit liability are included in other comprehensive income.

	2024	*2023*
	£'000	*£'000*
Service cost:		
Net interest (credit) / expense	(108)	(83)
(Credit/ charge recognized in P&L	(108)	(83)
Remeasurements of the net liability:		
Return on Plan assets (excluding amount included in interest expense)	76	1,038
Gain arising from changing in financial assumptions	(237)	(1,177)
Gain arising from changes in demographic assumptions	(5)	(112)
Experience loss	455	235
Charge recorded in other comprehensive income	289	(16)
Total defined benefit cost / (credit)	181	(99)

The principal actuarial assumptions used were:

	2024	*2023*
Liability discount rate	5.20%	5.15%
Inflation assumption – RPI	3.10%	3.20%
Inflation assumption – CPI pre 2030	2.10%	2.20%
Inflation assumption – CPI post 2030	3.10%	3.20%
Revaluation of deferred pensions:		
Statutory – pre 2030	2.10%	2.20%
Statutory – post 2030	3.10%	3.20%
Enhanced Statutory – pre 2030	2.60%	2.70%
Enhanced Statutory – post 2030	3.60%	3.70%

25. PENSIONS AND POST-EMPLOYMENT BENEFITS (Continued)

Increases for pensions in payment:		
Benefits accrued CPI max 3% - pre 2030	1.80%	1.95%
Benefits accrued CPI max 3% - post 2030	2.30%	2.50%
Benefits accrued RPI max 5%	2.95%	3.10%
Proportion of employees opting for early retirement	0%	0%
Proportion of employees commuting pension for cash	100%	100%

Mortality assumption – male pre & post retirement	101% SAPS S4PMA CMI 2023 (w 0% 2020 and 2021, and 15% in 2022 and 2023) 1% trend	101% SAPS S3PMA CMI 2022 (w 0% 2020 and 2021 and 25% in 2022) 1% trend
Mortality assumption – female pre & post retirement	101% SAPS S4PMA CMI 2023 (w 0% 2020 and 2021, and 15% in 2022 and 2023) 1% trend	101% SAPS S3PMA CMI 2022 (w 0% 2020 and 2021 and 25% in 2022) 1% trend
Expected age at death of current pensioner at age 65:		
Male aged 65 at year end:	86.1	86.2
Female aged 65 at year end:	88.5	88.4
Expected age at death of future pensioner at age 65:		
Male aged 45 at year end:	87.0	87.1
Female aged 45 at year end:	89.7	89.5

Changes in the present value of assets over the period:

	2024 *£'000*	*2023* *£'000*
Fair value of assets at start of period	9,906	10,536
Interest income	509	447
Return on assets (excluding amount included in net interest expense)	(76)	(1,038)
Contributions from employer	70	70
Benefits paid	(102)	(109)
Fair value of assets at the end of period	10,307	9,906
Actual return on assets over the period	433	(591)

25. PENSIONS AND POST-EMPLOYMENT BENEFITS (Continued)

Changes in the present value of liabilities over the period:

	2024	*2023*
	£'000	*£'000*
Liabilities at start of period	7,829	8,628
Interest cost	401	364
Remeasurement (gains)/losses:		
Actuarial gains & losses arising from changes in financial assumptions	(237)	(1,177)
Actuarial gains & losses arising from changes in demographic assumptions	(5)	(112)
Other experience items	455	235
Benefits paid	(102)	(109)
Liabilities at end of period	8,341	7,829

The split of the Plan's liabilities by category of membership is as follows:

	2024	*2023*
	£'000	*£'000*
Active members	-	-
Deferred pensioners	7,515	7,660
Pensions in payment	826	169
	8,341	7,829

Average duration of the Plan's liabilities at the end of the period (years)	17	18
This can be subdivided as follows:		
Active members	N/A	N/A
Deferred pensioners	19	19
Pensions in payment	11	11

The major categories of Plan assets are as follows:	*2024*	*2023*
	£'000	*£'000*
Legal & General Matching Core Real Long Ser 1	2,755	2,817
Northern Trust – The Partners' Fund E*	1,577	1,513
Northern Trust – The Partners' Fund E*	706	675
Legal & General Diversified Fund	2,299	2,096
Legal & General Matching Core Fix Long Ser 1	1,002	988
Legal & General Buy & Maintain Credit	1,940	1,817
Cash	28	-
Total market value of assets	10,307	9,906

The assets all have quoted prices in active markets.

The Partners' Fund, managed by Northern Trust, has been valued using a valuation as at 31 October 2024 and has been used in these disclosures.

The Legal & General Funds have being valued using a valuation as at 30 November 2024 with associated disclosures.

The Plan has no investments in the Company or in property occupied by the Company.

In line with the previous recovery plan, the Company made a deficit repair contribution of £70k to the Plan during 2024. This meant there was no further contribution due to be paid in the year ending 2024.

NOTES TO THE FINANCIAL STATEMENTS
31 December 2024 (Continued)

25. PENSIONS AND POST-EMPLOYMENT BENEFITS (Continued)

Sensitivity of the liability value to changes in principal assumptions:	*2024*	*2023*
	£'000	*£'000*
Discount rate – increase by 0.25%	(350)	(345)
Discount rate – decrease by 0.25%	370	367
Rate of inflation (RPI) – increase by 0.25%	230	246
Rate of inflation (RPI) – decrease by 0.25%	(230)	(241)
Assumed life expectancy at age 65 – increase by 1 year	230	226
Assumed life expectancy at age 65 – decrease by 1 year	(240)	(229)

Sensitivity analysis above is independent of each other, as if all the other assumptions remained unchanged.

The present value of the defined benefit obligation has been calculated with the same method (project unit method) as the defined benefit obligation recognised in the statement of financial position. The sensitivity analyses are based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely the change in any of the assumptions would occur in isolation of one another as some of the assumptions are correlated.

No adjustment has been made in the disclosures for the application of IFRIC 14.

On 16 June 2023, there was a UK High Court Ruling (Virgin Media v NTL Pension Trustees II Limited (and others)), upheld an appeal in July 2024, which has possible implications for previously contracted out defined benefit pension scheme. The High Court Judgement confirmed that the legislation operated to render an amendment to Section 9(2B) rights (whether adverse or not) under a UK defined benefit pension plan is void in the absence of a Section 37 confirmation from the plan actuary, and that section 9(2B) rights include both past and future rights. In consultation with the Company's legal adviser, this High Court Judgement does not have ramifications for the Company's pension plan.

26. CONTINGENT LIABILITIES

The company has a liability to repay government grants received if the company fails to achieve and maintain anticipated projected employment levels (note 20). In the opinion of the directors there are no indications that the company will suffer any loss in relation to these potential liabilities.

From time to time the Company may be subject to customer claims and in the absence of actual claims, the Company recognises provision based on the best available information at yearend. The Company continuously monitors the development of each claim and reflects its impact in the financial statements.

27. COMMITMENTS

At the balance sheet date the company had capital commitments of £13.4m (2023: £9.0m).

28. POST BALANCE SHEET EVENTS

There have been no post balance sheet events which require disclosure or changes to the results.

29. SHARE BASED PAYMENT ARRANGEMENTS

On 17 January 2024 the Company issued restricted share awards to certain of its employees in relation to 1,000,000 of the Company's C1 Ordinary shares of £0.0001 each and 1,000,000 C2 Ordinary shares of £0.0001 each, at an exercise price of £0.01 per C1 share and £0.025 per C2 share. These awards vest subject to the fair value of the Company's equity exceeding a pre-determined fair value on 31 December 2025 for the C1 shares or 31 December 2026 for the C2 shares, or on occurrence of certain events (including inter alia sale of the Company).

The number of shares that would ultimately vest is dependent on the extent the fair value of the Company's equity exceeds that pre-determined fair value, subject to a maximum value. The awards are settled by receiving C1 or C2 Ordinary shares in the Company, although each participant and the Company's parent have put and call options, respectively, to obtain settlement in cash. The fair value of the awards made in the year amounts to £1,148,000 (2023: £Nil), with an expense of £436,000 recognised in the year ended 31 December 2024 (2023: £Nil).

The fair values assigned to the awards granted, totaling £319,190 for C1 ordinary shares and £829,021 for C2 ordinary shares, were computed in accordance with Monte Carlo simulation valuation methodology using the following key assumptions:

	C1 Shares	*C2 Shares*
Risk free rate	4.24%	3.88%
Dividend yield	6.50%	7.00%
Expected volatility	20.50%	21.00%